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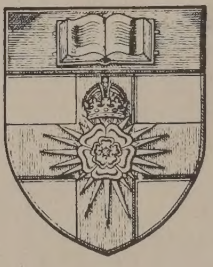

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ACCOUNTS AND PAPERS:

FORTY-SEVEN VOLUMES.

—*(6.)*—

COLONIES AND BRITISH POSSESSIONS;
COLONIAL REPORTS.

Session
12 *March* 1894 — 25 *August* 1894.

VOL. LVI.

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FORTY-SEVEN VOLUMES:—CONTENTS OF THE

SIXTH VOLUME.

N.B.—*THE* Figures *at the* beginning of the line, *correspond with the* N° *at the foot of each* Report; *and the* Figures *at the* end of the line, *refer to the* MS. Paging *of the Volumes arranged for The House of Commons.*

COLONIES AND BRITISH POSSESSIONS:

[c. 7319.] Colonial Reports (Annual):

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No. 110.

BAHAMAS.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 76.)

Presented to both Houses of Parliament by Command of Her Majesty.
August 1894.

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1894

[C.—7319.-8.]

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ANNUAL.

No.	Colony.	Year.
74	Turks and Caicos Islands	1892
75	Gibraltar	,,
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
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89	Basutoland	1892-93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
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107	Hong Kong	,,
108	St. Vincent	,,
109	Gibraltar	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 110.

BAHAMAS.

[For Report for 1892, *see* Colonial Report [Annual] No. 76.]

Sir A. SHEA to the MARQUESS OF RIPON.

Government House, Nassau, N.P.,
MY LORD, May 17, 1894.

I HAVE the honour to forward to your Lordship the Blue Book for 1893.

Imports and Exports.

2. The imports for the year 1893 show a decrease of 9,056*l.* and the exports a decrease of 28,115*l.* upon those of the previous year. The exports were the lowest of any within the past ten years and the result must have been disastrous but for the outlay made on the fibre cultivations.

Revenue.

3. The revenue for the year 1893 was 53,225*l.*, being 3,479*l.* under that of 1892. This is fully accounted for by the lessened products in quality and value, the year having been one of the worst on record for those engaged in the normal industries.

Crown Lands.

4. The revenue from Crown lands was 2,433*l.*, being 1,262*l.* more than in 1892.

Salt Pond Fund.

5. The amount at the credit of this fund on the 31st of December 1893 was 1,329*l.* as against 1,344*l.* at the end of the previous year. No substantial improvement can be expected in this account until a reduction is made in the prohibitive duties on salt at present imposed in the United States.

Widows' and Orphans' Fund.

6. The amount received upon this account during the year was 266*l.* while the amount expended was 2,390*l.* The loss to the Colony on this account was 7,949*l.* at the end of 1892 and this

was increased to 10,073*l.* on the 31st of December 1893. Under existing conditions this must be a growing deficit, nor does there seem to be any practicable escape from this serious outlook.

Post Office Savings Bank.

7. The amount of investments on this account in the hands of the Crown Agents on the 31st of December 1893 was 7,482*l.* 19*s.* 9*d.*, which cost 7,439*l.* 3*s.* 10*d.*, on deposit in the bank of Nassau there was 188*l.* 16*s.* 4*d.* and cash in the Post Office 35*l.* 7*s.* 7*d.* making a total of assets 7,663*l.* 7*s.* 9*d.* The liabilities were 8,002*l.* 15*s.* 11*d.*, showing an excess of liabilities over assets of 339*l.* 8*s.* 2*d.*; but this is a reduction of the deficiency in the previous year's account of 113*l.* 2*s.* 4*d.* The deficiency in this account is a part of the defalcation of ex-Postmaster Clare and is gradually being paid off.

Joint Stock Bank of Nassau.

8. The bank of Nassau continues its operations, and a dividend of 10 per cent. was paid for the year to the shareholders.

Public Debt.

9. The funded debt has been reduced by the sum of 400*l.* paid off during the year 1893. It now stands at 80,126*l.* which, with the debt for account of the telegraph cable of 30,000*l.*, makes in all 110,126*l.* Of this amount 32,000*l.* was issued by the Crown Agents in England and the balance 78,126*l.* is held in the Colony.

Legislation.

10. Eighteen Acts were passed in the session of the year 1893. They were all reported on by the Attorney-General, and the only one of any special significance was the Act 56 Vict. c. 4, an Act passed for the purpose of making permanent the prohibition of the export of fibrous plants.

Population.

11. The census of 1891 gave a population of 47,565. During the year 1893 there were 1,939 births and 1,181 deaths, the latter showing a rate of 24·8 per thousand as against 27·3 in the previous year.

Sponge Fishery.

12. The export of sponge in 1893 amounted to 58,615*l.* as against 65,554*l.* in 1892, showing a decrease of 6,939*l.* This

falling off was principally due to the boisterous weather which prevailed during a part of the sponging season, making it impracticable for the vessels to leave shelter and thus suspending operations for a considerable time.

Salt.

13. There was an export of 2,068*l.* in salt during 1893, being a slight increase on that of the previous year when the export amounted to 1,978*l.*

Fibre Cultivation.

14. The export of Bahama hemp amounted in 1893 to 1,200*l.* as against 692*l.* in 1892. The area of Crown Land now disposed of is 85,000 acres while about 15,000 acres of private land is also in course of cultivation. The quantity planted at the end of 1893 was 17,000 acres and an annual increase of about 6,000 acres will be the rate of progress. The history of the origin and growth of this industry has so often been written that but little remains to be said in that regard. It will, hereafter, be a record of increasing development and social advancement, which results now appea to be as assured as is possible in the course of human events. As far as the welfare of the Colony is concerned there seems to be the minimum of uncertainty, for it is not conceivable that the value of the fibre can go below the cost of production, though the profit, as in the case of all commercial enterprises, must ever be an uncertain and varying quantity. The export of 1893 was far below the expectations though not from want of an ample supply of the raw material.

The shortcoming was due to several causes. In the first place the most advanced plantation, in which an American Syndicate is interested, was almost entirely neglected owing to the financial troubles in the United States, and the low price of the fibre, consequent in a great degree on the money stringency which lessened the desire to prepare the product for market. The business was also much delayed by disappointment in the matter of the scutching machines, which in many cases proved useless. It is highly satisfactory to know that this difficulty is now over, for a machine manufactured by the Todd Company of New York has been at length found to work admirably, the fibre being cleaned perfectly, at the smallest possible amount of waste. There can be but little doubt that this machine will be universally adopted, as, besides its efficiency, it is cheaply operated, a woman to feed the machine with leaves, another to remove the finished fibre, being all the labour attendant on this process. It has been for some time a subject of much thought as to how the small cultivators were to utilise their labour where, as in the great majority of cases, they were too poor and their plantings too limited to admit of the cost of a machine, A satisfactory solution, however, has now been found which will be a great boon to this

class and will bring the blessings of the industry home to the humblest peasant in the Colony. The process is as simple as it is available to all, and consists of a slit being made in the thick end of the leaf, when it is torn asunder, leaving the inner part exposed, and by then soaking it in salt water, which is never far to reach; in about a week the pulp may be removed by hand and the fibre preserved. No waste whatever is found in this method, and it is understood that a man or woman, or grown boys or girls, may turn out from fifty to sixty pounds of fibre as the result of a day's work. The plan is being adopted throughout the Colony, and what was for some time deemed a missing-link is thus effectively supplied.

15. There has always been a certain amount of speculation as to the effects of hurricanes on the fibre fields, and though the plants are so hardy, the idea was in some degree a disturbing one. The question has now been satisfactorily tested. In August last, as well as in October, the Bahama Islands were visited with hurricanes which did considerable damage to various kinds of property. In one or two cases fibre fields, by unusual rising of the tides, were laid under water, and it was supposed that in these instances much injury had been done to the plants. In all other fields, though exposed to the force of the storm, the plants escaped without any injury and their power of resistance was thus established. But even in the submerged fields, the damage proved, eventually, to be trifling. The leaves were much knocked about, but they finally recovered to a great extent, and they are now being dressed, producing a fibre not much inferior to the best, but classed as No. 2 because of some small spots being discoloured which detracts from the appearance, though not, it is believed, from the strength, of the article.

16. Labour continues in good supply and is not likely to be a cause of difficulty for many years. Railways are being laid down in the principal Estates and this will be found a most profitable investment in saving labour on the carriage of the leaves to the dressing establishment—one hundred pounds of leaf yielding not more than four or five pounds of fibre. Of the large plantations one has over 5,000 acres under cultivation, one about 3,000; one 2,000 and two others 1,000 acres each. The smaller farms are from 200 to about 700 acres. Now that a standard scutching machine has been accepted exports should go forward moderately in 1894, but on a large and increasing scale in the following and future years.

17. The generally accepted standard of 600 plants to the acre, is now in many cases being changed to 800 and in some instances to 1,000. If this increased number be not found to impede harvesting by the inconvenient crowding of the trees, the yield per acre should, of course, be largely augmented. The estimated annual yield of a single tree is two pounds of fibre, and thus, instead of a return of 1,200 lbs. from the earlier planting of 600 trees, assuming that the results are not modified by want of room

for the full development of the plants, 2,000 lbs. will be the expected yield where 1,000 plants are given to the acre.

Fruit.

18. The export of Pine-apples in 1893 amounted to 39,386*l.* showing a decrease of 16,614*l.* on that of the previous year. The heavy falling-off in the shipments of this important product was attributable to the long-continued drought in the early part of the year, which materially impeded the growth of the crop, and the severe financial depression existing in the United States, which affected, to a disastrous extent, the fruit as well as other industries. The loss on realisation was nearly equal to that in the short production, and the actual shortcoming on this account was not less than 30,000*l.*

Shipping.

19. The following tables present an abstract of the shipping returns for the year 1893:—

Sailing Vessels Entered (British).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - -	168	10,031	1,110
In ballast - - -	46	3,448	306
Total - -	214	13,479	1,416

Sailing Vessels Entered (Foreign).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - -	87	7,071	537
In ballast - - -	54	4,636	331
Total - - -	141	11,707	868

Sailing Vessels Cleared (British).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - -	151	11,477	968
In ballast - - -	67	3,006	415
Total - -	218	14,483	1,383

Sailing Vessels Cleared (Foreign).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - -	108	10,981	655
In ballast - - -	32	2,429	209
Total - -	140	13,410	864

Steam Vessels Entered (British).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - -	45	53,705	1,066
In ballast - - -	6	5,023	205
Total - -	51	58,728	1,271

Steam Vessels Entered (Foreign).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - -	56	90,800	2,993
In ballast - - -	4	595	58
Total - -	60	91,395	3,051

Steam Vessels Cleared (British).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - -	39	51,920	993
In ballast - - -	4	3,250	154
Total - -	43	55,170	1,147

Steam Vessels Cleared (Foreign).

	No. of Vessels.	Tonnage.	Crews.
With cargoes - - - -	61	89,208	3,134
In ballast - - -	2	1,911	58
Total - -	63	91,119	3,192

These returns show an increase in sailing tonnage of 1,887 tons and in steam tonnage of 13,525 tons over those of the previous year.

Education.

20. The total expenditure upon education during the year 1893 was 4,800*l.*

There are 40 Government schools, in which the number of pupils on the rolls was 5,266, with anaverage attendance of 3,281 no fees being paid. There are also 13 aided schools, with 854 pupils on the rolls, and an average attendance of 495

The Church of England has 33 schools unassisted, with a total roll of 1,707 pupils, and there are 29 other private schools with a total roll of 1,295 pupils.

The Nassau Training Institute for Teachers numbers on the rolls 12, and the evening school in connection therewith 36, pupils.

Criminal Statistics.

21. There were, during the year, 2,313 persons brought before the Magistrates' Court, of whom 362 were discharged for want of prosecution or want of evidence, 570 were cases dismissed on their merits, 1,326 were summarily convicted, 55 were committed for trial in the Superior Court, where judgment for the Crown was given in 29 cases. These cases do not present any features calling for special comment; since the convictions of the two persons connected with the outbreak of April last, the peace of the place has not been at all seriously disturbed.

Prison.

22. The total number of persons committed to prison during the year was 266; being 121 men, 79 women, and 66 juveniles; of these, 59, 40, and 16, respectively, had been previously convicted.

The average daily number of prisoners was 54 as against 49 in the previous year.

Hospital and Insane Asylum.

23. The daily average of patients in hospital was 84. There were 75 patients remaining at the end of 1892, and

243 patients were admitted during the year. Sixty-four patients were discharged as cured, 64 as relieved, and 10 not improved. There were 70 deaths.

The new Victoria Hospital, which was opened in June, 1893, is a building admirably designed for its purposes; it provides ample and airy accommodation for patients, and will meet all probable requirements for many years.

The new building is an eminently satisfactory solution of a long-vexed question, and will prove an inestimable boon to the community, which has suffered much for want of adequate or suitable hospital accommodation.

24. There were 11 lunatics admitted into the asylum, 3 were discharged cured, 1 relieved, and 5 died during the year.

Meteorological Observations.

25. The rainfall for 1893 was 65·23 inches, but rains generally were too late in the year for the crops; winds from north-east to south-east prevailed for 239 days. The mean air temperature at 9 o'clock a.m. and 3 o'clock p.m., ranged from 75·0 Fahr. and 74·3 Fahr. in March to 86·6 Fahr and 86·7 Fahr. in July, the highest point reached being 97· Fahr.

I have, &c.

(Signed) A. SHEA,
Governor.

No. 113.

BARBADOS.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 83.)

Presented to both Houses of Parliament by Command of Her Majesty.
August 1894.

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1894.

[C.—7319–11.]

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82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
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94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,
108	St. Vincent	,,
109	Gibraltar	,,
110	Bahamas	,,
111	Turks and Caicos Islands	,,
112	Leeward Islands	,,

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No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 113.

BARBADOS.

(For Report for 1892, *see* Colonial Report [Annual] No. 83.)

Sir J. S. HAY to the MARQUESS OF RIPON.

Government House,
MY LORD MARQUESS, June 15, 1894.

I HAVE the honour to transmit six copies of the Blue Book of this Colony for the year 1893, and enclose the Report thereon, which has been furnished to me by the Colonial Secretary.

I have, &c.
(Signed) J. S. HAY.

Colonial Secretary's Office, Barbados,
SIR, June 15, 1894.

I HAVE the honour to enclose the Blue Book Report for the year 1893, which has been very carefully prepared by Mr. W. H. Bailey, the Chief Clerk and late Acting Auditor-General, as I was not here during the year with which it deals.

I have &c.
(Signed) G. R. LE HUNTE.
Colonial Secretary

His Excellency Sir J. S. Hay, K.C.M.G.,
Governor.

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BARBADOS. 1893.

BLUE BOOK REPORT, 1893.

Taxes and Duties.

1. There is no change to note in the Schedule of Taxes and Duties leviable in the Colony.

Finance.

	£	s.	d.
2. The balance on 1st January 1893 was -	9,809	7	9
The receipts during the year were -	161,730	7	11½
Total - -	171,539	15	8½
The expenditure for 1893 was - -	164,633	6	4½
Leaving a balance on 31st December 1893 of - - - -	£6,906	9	4

3. The Revenue for the year exceeded the estimates by 1,503*l.*; Customs and Excise producing more than was anticipated.

4. The Expenditure was less than the Estimate by 999*l.* 5*s.* 4½*d.*

5. The Revenue for the year, compared with that for 1892, shows on the whole a decrease of 933*l.* 9*s.* 4½*d.*, but when the causes which occasioned decreases to be shown against certain items of revenue are taken into account, there would be an increase in the ordinary Revenue of the year compared with 1892 of 3,288*l.* 3*s.* 2*d.*

6. The expenditure was 34,496*l.* 11*s.* 10*d.* less than that in 1892. This decrease is owing to the fact that the heavy payments made from the General Revenue in 1892 on account of the New Lunatic Asylum and the cost of the Improvement in Bay Street, ceased in this year, and the amount of 164,633*l.* 6*s.* 4½*d.* expended fairly represents the ordinary expenditure.

7. The following tables give the Revenue and Expenditure of the Colony for the past four years.

Revenue.

Year.	Customs.	Excise.	Other Receipts.	Total.
	£	£	£	£
1893 - -	94,480	32,553	34,697	161,730
1892 - -	92,340	28,919	41,404	162,663
1891 - -	99,780	25,298	38,827	163,905
*1890 - -	116,415	30,517	39,247	186,179

* In this year was reaped the largest crop of sugar the Island has ever made.

Expenditure.

Year.	Salaries.	Other Expenses.	Total.
	£	£	£
1893 - -	72,978	91,655	164,633
1892 - -	73,253	125,876	199,129
1891 - -	*78,249	98,551	176,800
1890 - -	68,960	112,675	181,635

* Salaries for 13 months.

8. The assets of the Colony at the end of the year amounted to 31,523*l.* 16*s.* 6*d.*, which sum includes the nominal value of the amount in the Sinking Fund under the Public Works Loan Act, 1881.

Public Debt.

9. There was no increase to the Public Debt during the year, which still remains at 30,100*l.* The amount (nominal) to the credit of the Sinking Fund on 30th September 1893 was 11,129*l.* 13*s.* 2*d.*

Local Revenues.

10. The total Parochial revenue raised by the several vestries and highways Commissioners during the year ended 24th March 1893 was 59,719*l.* This includes the annual grant from the Public Treasury of 5,450*l.*, in aid of the upkeep of highways. The Parochial expenditure amounted to 56,156*l.*, of which 41,295*l.* was for Poor Relief, and the upkeep of churches, chapels and repairs to schools, and 14,861*l.* on highways.

Military Expenditure.

11. The return furnished by the Military Authorities shows that the total expenditure incurred by the Imperial Government in this Colony in 1893 amounted to 49,672*l.*

Public Works.

12. During the year, a Recreation Room for the Police was erected within the Central Police Station at a cost of 350*l.* This sum was charged to the Police Reserve Fund and did not come out of the General Revenue. Repairs were begun in the latter part of the year to the Wharf Walls, and the work,

which was estimated to cost 1,250*l.* was proceeded with on the lines proposed in the scheme for Harbour Improvements. This Scheme, has however, at the time of writing this Report, been postponed till 30th June 1895.

Repairs were made to the various Government Buildings at a cost of 2,123*l.*

Legislation.

13. The session of 1893–94 was opened on the 11th July. During the year 37 Acts were passed and assented to by the Governor. This number includes 25 which belonged to the previous Session, which expired on the 25th April.

The following are the titles of the more important of the Acts:

An Act to provide for the Registration of Judgments.
An Act to raise the sum of 200,000*l.* by the issue of Inscribed Stock (for the Harbour Extension).
The Bills of Exchange Act, 1893.
The Quarantine Act, 1893.
The Electric Lighting Act, 1893.
The Barbados Railway's (Tramways) Act, 1893.
An Act to amend "The Colonial Secretary's Office Act, 1890," and "The Audit Office Act, 1890."
And two Acts for further promoting the revision of the Statute Law.

Political Franchise.

14. No change has taken place in the qualification of voters, which remain the same as set forth in "The Representation of the People Act, 1891." The election of Members for the House of Assembly took place on the 3rd July in all the parishes except that of St. Joseph, in which there was a contest, and it was decided on the 10th July. The total number of registered electors is 2,031.

Councils and Assemblies.

15. The Executive Council and the Legislative Council consisted of the same members as in 1892.

16. The Honourable J. W. Perris, M.L.C., resigned his seat on the Executive Committee from failing health, having served as a Member since the formation of the body in 1881. He was succeeded by the Honourable Oswald Jones, M.L.C.; Dr. Phillips, M.C.P., also resigned his seat at the same Board, and Mr. Thomas Jones, M.C.P., was appointed in his place.

17. *House of Assembly.*—Mr. J. C. Lynch was elected a Member for the City of Bridgetown in the place of Mr. B. Inniss, who declined re-election. Mr. C. C. Knollys, C.M.G. (Colonial

Secretary) was elected for St. Joseph *vice* Mr. C. A. King-Harman, C.M.G. (Auditor-General), who had left the Island, and the seat for the parish of St. Peter, formerly held by Mr. Knollys, was filled by the election of Mr. C. P. Clarke, Barrister-at-Law.

Civil Establishment.

18. The Governor, Sir J. S. Hay, K.C.M.G., was absent on leave from the 21st October, and Major-General George Paton, C.M.G., administered the Government.

19. The Auditor-General, Mr. C. A. King-Harman, C.M.G., left the Island on the 1st July to assume the Colonial Secretaryship of Mauritius, and Mr. W. H. Bailey, Chief Clerk of the Colonial Secretary's Office, was appointed to act in the Office until an appointment was made. This Office was to have been amalgamated with that of the Colonial Secretary, but it was not considered advisable to carry the experiment into effect, and an Act was passed to restore the office.

20. Mr. J. H. Brady, M.I.C.E., Superintendent of Public Works, was absent on leave for a fortnight, and his duties were performed by Mr. P. N. H. Jones, M.I.C.E.

21. The Comptroller of Customs, Mr. P. L. Dillon, was absent on leave from 20th May to 19th November, and Mr. Robert Dickson, Landing Surveyor, performed the duties of Comptroller; and Mr. W. Everard, Senior Landing Waiter, performed those of Landing Surveyor.

Judicial Establishment.

22. Mr. H. J. Lee-Evans, Judge of the Bridgeton Petty Debt Court, died on 18th August. Mr. E. C. Jackman, Barrister-at-Law, who had been acting for Mr. Evans, continued to perform the duties until the arrival of Mr. S. J. Fraser, Police Magistrate of Tobago, who had been appointed to the office.

Police Establishment.

23. Colonel John Elliott, C.B., C.M.G., Inspector-General of Police, &c., was absent on leave from 8th April to 4th December, and the duties of his office were discharged by Mr. C J. Lawrence, Inspector of Police.

Ecclesiastical Establishment.

24. His Lordship the Bishop was on leave from the Island from 1st July. The Venerable G. M. D. Frederick, Archdeacon and Rector of St. Peter's, returned from leave of absence on 5th June,

BARBADOS 1893.

The Rev. Canon E. Lisle Smith also returned from leave of absence on the 22nd April. Some of the vicars were also absent on leave.

25. The Rev. W. D. Arrindell, Rector of St. James, resigned on a pension, and the Rev. W. C. Watson, Rector of St. Lucy, was transferred to the vacancy, his place being filled by the Rev. H. Hutson, of Grenada.

Pensions.

26. The following are the principal officials who retired on pensions during the year. Dr. R. B. Walcott, Coroner, &c. District "F" 52*l.* 10*s.* 0*d.* (since dead); Rev. W. D Arrindell, Rector of St. James, 210*l.* 5*s.* 0*d.*; Joseph Jackman, Weigher and Gauger, 245*l.* 10*s.* 5*d.*; L. J. Patterson, Chief Clerk, Audit Office, 125*l.* 0*s.* 0*d.*

27. Several pensioners died during the year, nearly all of whom retired in the previous year, viz.: Rev. G. D. Gittens, pension of 210*l.* 5*s.* 0*d.*; Rev. Canon G. M. Clinkett, 120*l.*; Mr. Charles Evelyn, 62*l.* 16*s.* 4.; Naboth Greaves, 240*l.*, and Mr. J. G. Grant, C.M.G., 711*l.* 13*s.* 9*d.*, who had been in receipt of his pension since 1882.

Foreign Consuls.

28. During the year Mr. George T. Tate succeeded Dr. E. A. Dimmick as Consul for the United States of America, and Mr. S. H. McCormick was appointed Consul for the United States of Brazil.

Population.

29. The population of the Island may now be set set down at 185,000.

30. The Baptisms were 7,896, Marriages 1,289, and Burials 4,956 during the year, showing an increase of births over deaths of very little less than 3,000. The number of Baptisms and Marriages are greater than in any year since 1889, while the Burials, with the exception of 1892, are fewer than in any year since 1889. The number of baptisms indicates an alarming ratio of over one-and-a-half per cent. increase in the population when the number of burials is also taken into account, and it is hoped that the Emigration Commission now sitting may find some solution of the problem of how to deal with the large surplus, which is growing larger and larger each year.

31. The following Table exhibits the number of Baptisms, Marriages and Burials from 1889.

Year.	Baptisms.	Marriages.	Burials.	No. of Deaths per 1,000.	No. of Births per 1,000.
1889 - -	7,399	980	6,261	34·7	42·2
1890 - -	7,419	1,056	5,000	27·6	41·6
1891 - -	7,769	986	6,794	37·3	42·6
1892 - -	6,993	1,224	3,729	20·4	38·2
1893 - -	7,896	1,289	4,656	26·7	42·6

Savings Bank.

32. The Savings Bank continues to grow in the favour of the labouring classes. The number of depositors on the 30th September 1893 was 10,944, being about six per cent. of the population. The following table gives a comparison between 1892 and 1893.

	1st October, 1892 to 30th September 1893.	1st October 1891 to 30th September 1892.
Number of Depositors - - -	10,944	10,420
Percentage of Population - -	6	5·71
Amount of Deposits - - -	£101,042	£80,000
Amount withdrawn - - -	£82,197	£80,013
Amount to credit of Depositors - -	£152,924	£130,418

33. The Surplus Fund at the end of the year was 5,707*l.* 13*s.* 3½*d.*, which, added to the amount due to depositors, makes the Total Funds of the Bank amount to 156,267*l.* 3*s.* 9½*d.*, distributed as follows:—

	£	*s.*	*d.*
Mortgages on landed property - -	10,859	3	5½
English Consols - - -	17,171	19	5
Colonial Stock - - -	76,921	1	11
Barbados Government Debentures	26,000	0	0
Loans to Parishes - - -	1,288	0	0
Deposit receipts in Colonial Bank	14,500	0	0
On Current Account in Colonial Bank -	2,052	19	0
Balance in hand - - -	474	0	0
Remitted to Crown Agents for investment	7,000	0	0
	£156,267	3	9½

Ecclesiastical.

34. There are 11 parish Churches, 33 chapels, and one Chapel School, making 45 places of worship belonging to the Church of England. There is accommodation in the Cathedral for 2,000 persons and in some other Churches for 1,000, varying to 140 in some of the smaller churches. The total average attendance was about the same as last year—viz. 13,957 at the morning, and 12,710 at the evening services.

35. There are 23 places of worship belonging to other churches, one to the Roman Catholics, four to the Moravians, and 18 to the Wesleyans. The principal Wesleyan Church has accommodation for 1,500 persons. The average attendance was about the same as last year.

35A. The cost of the establishment of the Church of England is 10,353*l.* per annum from the General Revenue, and grants are made from the Treasury to the other denominations as follows: The Roman Catholics, 50*l.* the Moravians, 400*l.* per annum, and the Wesleyans, 700*l.* per annum.

Education.

36. *Elementary Schools.*—The number of schools receiving Government aid at the end of the year was 201, one less than in 1892, consisting of 58 Primary, 34 Combined, and 107 Infant Schools. The total average attendance in all the schools was 16,606, an increase of 1,366 upon the average attendance for the previous year. The expenditure was 10,100*l.* 13*s.* 11½*d.* on salaries, being 1,081*l.* 9*s.* 10*d.* greater than in 1892. This was caused by the increased average attendance during the year.

37. *Second Grade Schools.*—There are four second grade schools, all for boys. At the close of the year the Combermere School had 113 pupils, the Coleridge School, 42 pupils, the Parry School, 27 pupils, and the Alleyne School, 19 pupils. During the year an Act was passed for the establishment of a second grade school for girls in Speights Town, in the Parish of St. Peter. The school is to be called the "Alexandra School." It has not yet been opened.

38. *First Grade Schools and Colleges.*—There are three First Grade Schools, viz., Harrison College, and the Lodge School, for boys, and Queens College for girls. Harrison College, in Bridgetown, is the principal school of the Island, having a staff of a Head Master and eight Assistant Masters, all of whom are University Graduates. There were 148 pupils at the close of the year. The Lodge School in the Parish of St. John has a Head Master and two Assistant Masters, all University men. The Number of pupils at the end of the year was 48. The Queen's College for girls is in Bridgetown and has a Head Mistress and seven Assistant Mistresses, a Music Master and a Chemistry Lecturer; at the close of 1893 there were 150 pupils under tuition.

Codrington College, in St. John's parish, is presided over by a Principal appointed by the S. P. G. Society. There is a Professor of Classics, a Medical Lecturer and a Chaplain. The College is affiliated to Durham University and had 20 students at the end of the year.

Reformatory and Industrial School.

39. There were 30 boys received during the year and 27 discharged, leaving 119 remaining at the end of the year. There were no deaths during the year and the health of the boys was excellent. The mark system, which was introduced some years ago, continues to work well, there being 95 boys, out of 113, with good conduct badges. Of 90 boys examined by the Chaplain, 79 passed in reading, 86 in writing and spelling, and 78 in arithmitic. The cost for maintenance per boy per annum was 5*l.* 15*s.* 8*d.*, being 16*s.* 7¼*d.* per boy per annum less than in 1892.

Imports and Exports.

40. The following tables give the value and direction of Imports and Exports in 1892 and 1893.

Imports.

From.	1892.	1893.
	£	£
United Kingdom	469,317	583,086
British North America	88,524	119,222
Other British Colonies	107,330	135,182
United States of America	377,953	501,620
Other Foreign Countries	38,446	33,426
Totals	1,081,570	1,372,536

Exports.

To.	1892.	1893.
	£	£
United Kingdom	119,168	141,942
British North America	123,307	127,714
Other British Colonies	150,587	191,975
United States of America	500,919	755,464
Other Foreign Countries	32,590	25,937
Totals	926,571	1,243,082

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41. The following table shows a comparison between certain classes of Imports from Great Britain and the United States of America, and British North America.

Classes.	British North America.	Great Britain.	United States of America.	Total Imports.
	£	£	£	£
1. Live Animals, Food and Drink, and Narcotics	82,625	103,524	389,387	692,058
2. Raw materials:—	—	—	—	—
(*a.*) Textile	993	45	4,886	6,106
(*b.*) Metal	—	495	—	897
(*c.*) Other	29,230	53,060	53,080	151,308
3. Manufactured Articles:—	—	—	—	—
(*a.*) Textile	73	183,849	1.989	187,929
(*b.*) Metal	393	62,723	9,122	74,457
(*c.*) Other	5,908	175,969	42,271	243,165
4. Coin and bullion	—	3,421	885	16,616
Totals	119,222	583,086	501,620	1,372,536

42. The following table gives the quantities and values of certain of the principal Imports in the years 1892 and 1893.

Barbados. Imports.		1892.	1893.
Beef, salted or pickled	Lbs.	1,087,406	1,182,099
	£	13,593	19,209
Bread, pilot, navy and crackers	Lbs.	4,075,377	4,747,724
	£	18,309	28,506
Butter	Lbs.	429,335	340,068
	£	21,466	18,364
Coal	Tons	23,487	22,306
	£	23,487	36,694
Corn or Maize, unground	Lbs	5,617,810	6,266,434
	£	16,853	25,849
Corn meal	Barrels	37,507	37,278
	£	28,130	37,045
Cotton manufacture	£	125,516	153,303
Fish, dried, salted or smoked	Quintals	77,113	84,427
	£	46,267	65,853
Flour, wheat, or rye	Barrels	74,271	69,660
	£	92,838	115,374

Barbados. Imports.		1892.	1893.
Grain, unenumerated	Lbs	3,734,262	4,504,587
	£	11,203	18,581
„ oats	Lbs	6,117,338	6,568,563
	£	22,940	33,869
Linen manufactures	£	3,164	1,954
Liquors, Brandy, Whiskey, &c	Gallons.	19,987	17,558
	£	6,496	6,848
Gin	Gallons.	15,132	17,465
	£	2,270	3,143
Wines	Gallons	27,188	22,458
	£	5,692	6,096
Malt in Wood	Hhds.	2,460	2,388
	£	7,383	8,596
Malt in bottle	Doz.	9,910	7,985
	£	2,973	2,874
Lumber, white pine, pitch pine, &c.	Feet	8,258,432	10,032,417
	£	24,539	37,758
Manures	Tons	12,913	12,183
	£	114,148	104,022
Petroleum	Gallons	365,230	431,841
	£	11,413	17,206
Pork, salted or pickled	Lbs.	2,187,422	1,667,766
	£	27,343	27,101
Rice	Lbs.	16,901,901	15,266,705
	£	70,424	87,465
Staves and shooks	Pcs.	2,399,641	3,457,075
	£	21,596	42,781
Tobacco manufactured	Lbs	116,674	123,336
	£	4,861	5,344
„ Leaf	Lbs	70,547	81,743
	£	1,176	1,417
Woollen Manufactures	£	12,124	15,788
Total value	£	1,081,572	1,372,536

43. The value of the total Exports in 1893 was put down at 1,243,082*l.* of which the exportations to the United States of America alone are valued at 754,882*l.*, the produce of the Colony. The produce exported to Great Britain and British North America was almost of equal value the figures being 127,247*l.* and 127,437*l.* respectively.

44. The following tables give the quantities and values of some of the principal exports in 1892–1893.

Articles.		1892.	1893.
Produce of Barbados.			
Arrowroot	Lbs	3,370	1,000
	£	28	10
Bricks	No.	38,750	27,750
	£	116	83
Rum	Gallons	602	6,029
	£	47	452
Molasses	Puncheons	42,968	43,374
	£	134,275	162,662
Sugar, Dry	Hhds.	2,630	3,640
	£	39,450	61,880
Muscovado	Lbs.	56,619	63,517
	£	566,190	793,962
Tamarinds	Brls.	946	1,097
	£	1,182	1,371
Produce of other places.	£	174,649	212,569
Total Values.	£	926,573	1,243,082

Shipping.

45. The number of vessels entered and cleared in 1893 was 2,458, with a total aggregate tonnage of 1,224,067 tons; 905 sailing vessels entered with a tonnage of 137,615, and 905 sailing vessels cleared with 136,663 tons. 324 steam vessels entered with 474,704 tons, and 324 steam vessels cleared with 475,085 tons.

46. The following tables show some of the countries from which vessels arrived and to which they departed in 1893.

Entered.

1893. From	Sailing.		Steam.	
	No.	Tons.	No.	Tons.
Great Britain	81	12,376	122	204,427
United States	70	31,530	36	43,257
British North America	109	16,935	14	15,446
British West Indies and British Guiana	517	29,029	127	170,863
Foreign West Indies	64	4,548	—	—
Brazil	50	20,650	12	12,808
Other places	64	22,547	13	27,903
Totals	905	137,615	324	474,704

Cleared.

1893. For	Sailing.		Steam.	
	No.	Tons.	No.	Tons.
Great Britain	5	2,174	40	76,693
United States	105	44,625	32	35,813
British North America	85	16,313	12	14,112
British West Indies and British Guiana	582	43,654	235	341,877
Foreign West Indies	84	21,254	4	5,322
Brazil	1	293	1	1,268
Other places	43	8,350	—	—
Totals	905	136,663	324	475,085

47. The nationality of the vessels which entered and cleared in 1893 is shown in the following table.

Nationality.	Entered.				Cleared.			
	Sailing.		Steam.		Sailing.		Steam.	
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.
British	754	76,646	323	474,208	755	75,304	323	474,589
American	71	33,246	—	—	72	35,502	—	—
Norwegian	30	16,568	—	—	26	13,767	—	—
Swedish	5	1,980	—	—	6	2,212	—	—
Dutch	20	1,375	—	—	19	1,270	—	—
Argentine	2	1,258	—	—	2	1,258	—	—
Italian	4	2,320	—	—	5	2,904	—	—
French	8	1,995	—	—	8	1,995	—	—
Venezuelan	6	511	—	—	6	511	—	—
Danish	2	837	1	496	3	1,061	1	496
German	3	879	—	—	3	879	—	—
Total	905	137,615	324	474,704	905	136,663	324	475,085

Gaols and Prisoners.

48. *Criminal Statistics.*—The number of offences reported to the police or to the magistrates was 10,421. This number is so largely in excess of the corresponding numbers in previous years (viz.: 4,788 in 1892; 5,079 in 1891 and 4,213 in 1890), that the

increase must be attributed to the incorrectness of the returns under this head in previous years. It had been brought to the notice of the magistrates that there must be some error in the manner of filling in this return and no doubt the great increase now seen is caused by the correction of the error, to which attention had been called. The number of persons apprehended or summoned before the magistrate in 1893 was 12,069, being 160 less than in 1892. Summary convictions also show a decrease compared with 1892, the figures being 8,836 and 9,193 respectively. The convictions in the Superior Courts, 76, were fewer than in any year since 1890.

Prisoners.—The number of adult males committed to prison was 1,681, being 174 less than the number in 1892. The number of male juveniles was 43, 19 less than in 1892.

49. The number of adult females committed to prison was 1,794, 68 more than in 1892. There were 18 juvenile females, as against 16 in 1892.

50. Eleven male prisoners were released on ticket of leave, earned under the mark system.

51. The discipline of the prison was maintained, and the general behaviour, both of male and female prisoners, was good. The offence of malingering is on the decrease.

52. The usual industries were carried on in the prison so as to furnish work for certain of the prisoners, and outside, the quarrying of stone and the building of a boundary wall provided the means of enforcing hard labour on others, who had passed the usual stages of labour inside the prison.

53. The sanitary condition of the prison was good, the prevailing diseases were typhoid fever and dysentery. On the male side there were four deaths in the latter part of the year. None on the female side.

Hospitals and Lunatic Asylum.

54. *General Hospital.*—The daily average number of patients in hospital for 1893, is 215. The number of patients remaining on 1st. January was 207 and the number admitted during the year, 2,977, making a total under the Ward Department of 3,184, as against 3,183 in 1892. There were 201 deaths, the rate of mortality being 6·2 per cent., as compared with 7·2 per cent. in 1892. The greatest number of the deaths, as in 1892, occurred from chronic phthisis, of which there were 18, the next highest being typhoid fever, 17. Of the deaths, 52 occurred within 48 hours of admission, and if these are excluded the percentage would be reduced to 4·7.

55. *Lunatic Asylum.*—The new lunatic asylum was occupied about the middle of the year, the daily average for the year being

271. The daily average in 1892 was 246. The number of deaths in 1893 was 37, and the number discharged cured, 53. It is satisfactory to note that restraint was not resorted to during the year and that only one male, and nine female, patients were secluded under lock and key.

Meteorological.

56. The highest temperature at Dodds Botanical Station, 210 feet above sea level, was 89° in September, and the lowest, 66·2°, in March. The number of wet days was 193, and the rainfall for the year 58·10 inches. March was the driest month, only seven wet days; and in August the most rain fell, 11·32 inches in 17 wet days, although the number of wet days was greater in some of the months, viz.: 21 in September, 21 in October and 21 in December. In October the greatest change in barometric pressure occurred, the mean pressure in September being 29·903, and in October 29·809. There was an unusual number of thunderstorms in September and October and several persons and animals were struck by lightning, causing death in many instances.

Public Health.

57. The health of the Island was good throughout the year.

G. R. Le Hunte.

Barbados, June 15, 1894. Colonial Secretary.

COLONIAL REPORTS.—ANNUAL.

No. 105.

BERMUDA.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 71.)

Presented to both Houses of Parliament by Command of Her Majesty.
26 *June* 1894.

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1894.

[C.—7319.–3.]

COLONIAL REPORTS.

The following, among other, Reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page:—

ANNUAL.

No.	Colony.	Year.
67	Newfoundland	1891
68	British New Guinea	1891–92
69	Victoria	1891
70	Rodrigues	,,
71	Bermuda	1892
72	Fiji	1891
73	British Honduras	,,
74	Turks and Caicos Islands	1892
75	Gibraltar	,,
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 105.

BERMUDA.

(For Report for 1892, *see* Colonial Report [Annual], No. 71.)

Governor LYONS to the MARQUESS OF RIPON.

MY LORD MARQUESS, Bermuda, March 22, 1894.

I HAVE the honour to transmit herewith the report on the Annual Blue Book of this Colony for the year 1893, which has been prepared by Mr. Alison, the Colonial Secretary.

I have, &c.,
(Signed) T. C. LYONS,
General,
Governor and Commander-in-Chief.

Colonial Secretary's Office, Hamilton,
Bermuda, March 22, 1894.

SIR,

I HAVE the honour to submit to your Excellency the following report on the Blue Book for the year 1893 :—

Finance.

2. The public revenue for the year was 34,893*l.*, and the expenditure 33,714*l.*; the excess of revenue over expenditure was therefore 1,179*l.* Compared with 1892 the revenue shows an increase of 938*l.*, and the expenditure an increase of 2,070*l.*

In the revenue and expenditure returns the amounts raised by loan and expended during the year are not included. The expenditure returns, however, include the sums (500*l.* in 1892 and 1,500*l.* in 1893) applied in the reduction of the public debt.

In the returns for 1893 an advance of 600*l.*, made by the Treasury to the Savings Bank, and refunded during the year, is also included.

3. The following tables compare the revenue and expenditure for 1893 with that of 1892:—

Revenue.

	Customs.	Other Receipts.	Total.
	£	£	£
1892	28,263	5,692	33,955
1893	27,821	7,072	34,893
Increase	—	1,380	938
Decrease	442	—	—

Expenditure.

	Personal Emoluments.	Other charges.	Total.
	£	£	£
1892	17,199	14,445	31,644
1893	17,072	16,642	33,714
Increase	—	2,197	2,070
Decrease	127	—	—

The receipts from the customs in 1893, compared with 1892, show an increase of 205*l.* under the heading of Malt Liquor, a decrease of 287*l.* under the heading of Rum, and a decrease of 338*l.* in the receipts from the five per cent *ad valorem* duties. The differences shown under the other headings are unimportant.

With respect to the other receipts, the increase of 1,380*l.* is principally due to the refund of the advance of 600*l.* made by the Treasury to the Savings Bank, to which allusion has already been made, an increase of 383*l.* in the postal revenue, 231*l.* in the miscellaneous receipts, and 145*l.* in the lighthouse tolls.

Compared with 1892 the following were the principal differences shown in the disbursements:—

	£
Colonial Secretary's Office, an increase of	205
Colonial Surveyor's Office ,,	459
Payment of public debt ,,	1,000
Gaols ,,	302
Savings Bank ,,	511
Whilst in the—	
Post Office there was a decrease of	218
Legislative ,,	168
Annuities and gratuities ,,	285

The increase under the heading of the Colonial Secretary's Office is due to the payment of arrears of salary, and under the heading of the Colonial Surveyor's Office, to additional expenditure, on roads and works.

4. The Imperial expenditure returns are as follows :—

	£
Governor's salary - - -	2,199
Military establishments - - -	89,258

Compared with 1892 the latter return shows a decrease of 2,117*l.*

The expenditure of the naval establishments is not returned.

Public Debt.

5. The Legislature in 1892 authorised the Colonial Government to issue 40,000*l.* of Inscribed Stock, the sum in question being required in connection with a proposed improvement of the channels leading to Hamilton Harbour; and stock to the amount of 10,000*l.*, repayable at par, in September 1923, and bearing interest at the rate of 4½ per cent. per annum, was issued locally in 1893.

The average price obtained for the stock issued was 102*l.* 13*s.* 6*d.* per cent.

The public debt at the end of 1893 amounted to 17,600*l.*, made up as follows :—

	£
Local Inscribed Stock - - -	10,000
New Government House debentures -	7,600

The average rate of interest on the New Government House loan is 4⅜ per cent.

Legislation.

6. The regular session of 1892 did not close until 23rd January 1893. The Acts passed in this session in 1893 do not call for special notice.

There was a special session of the Colonial Parliament which commenced on the 2nd March and closed on the 7th April. During this session one Act was passed, namely, "The West End Channel Improvement Act, 1893." By this measure the Colonial Board of Works are authorised to enter into a contract, for an amount not exceeding 38,000*l.*, in order to deepen and widen the channels leading into Hamilton Harbour so as to obtain a minimum depth of 20 feet at mean low water, and a minimum width at the bottom of these channels of 92 feet instead of 100 feet as prescribed by "The West End Channel Improvement Act, 1891" it having been found that, owing to an error in taking out the quantities from the plans of these channels, the amount of rock to be removed was in excess of that originally estimated.

The regular session commenced on the 29th May and closed on the 18th of December. During this period 22 Acts were passed; of

BERMUDA. 1893.

these seven were merely continuing Acts. Of the remainder the most noteworthy are :—

(No 6.) "An Act further to amend the Quarantine Laws."

(No. 13) "An Act regulating the superannuation of persons employed in the Civil Service of the Colony."

(No. 17) "An Act to amend the Liquor License Acts."

By Act No. 6 certain alterations in the Quarantine Laws were made in accordance with the recommendations of a commission appointed to inquire into their working in the preceding year.

Act No. 13 provides for superannuation allowances being granted to officers who may hereafter be appointed to the civil service in the Colony, on their retirement after definite terms of service, annual deductions being made from the salaries to provide a superannuation fund.

Officers now in the service have the option of accepting or declining the provisions of the Act with respect to their services after the Act had gone into operation, but no provision is made for superannuation allowances being granted to them with respect to their past services.

Act No. 17 deals with the difficult question of club licenses, the previous legislation on the subject having proved defective.

During the year 23 resolves were passed, appropriating 7,695*l.* for specific services not provided for by existing laws.

Civil Establishment.

7. Lieutenant-Colonel S. Pym, R.A., administered the Government during the absence on leave of the Governor from the 27th July to the 4th September.

There were no other changes of any importance in the Civil Establishment during the year.

Imports.

8. The value of the imports in 1893 (inclusive of specie valued at 6,267*l.*) was 327,580*l.* compared with 329,283*l.* in 1892.

Exclusive of specie the imports in 1893 show a decrease compared with 1892 of 7,630*l.*, with 1891 of 4,663*l.*, but an increase compared with 1890 of 13,307*l.*, and with 1889 of 48,710*l*

The value of the imports from the United Kingdom and other countries respectively in 1892 and 1893 is shown in the following table :—

	1892.	1893.
	£	£
United Kingdom - - -	88,056	86,601
Canada - - - -	25,604	22,734
Other British Colonies - -	10,321	11,736
United States of America - -	202,866	204,871
Other countries - - -	2,436	1,638
Totals - - -	329,283	327,580

The principal imports from the United Kingdom in 1893 were clothing, valued at 3,895*l.*, materials for clothing 17,978*l.*, leather manufactures 3,022*l.*, oilmen's stores 5,387*l.*, and malt liquor 17,179*l.*

From the United States of America the principal imports were: bran 3,530*l.*, butter 13,112*l.*, indian corn 3,870*l.*, cheese 3,131*l.*, material for clothing 4,739*l.*, fertilisers 3,750*l.*, flour 14,261*l.*, canned goods 6,538*l.*, groceries 7,261*l.*, hardware 3,508*l.*, leather manufactures 5,691*l.*, lumber 4,478*l.*, oats 6,663*l.*, kerosene and naphtha oil 3,319*l.*, poultry 3,803*l.*, sheep 3,163*l.*, sugar 3,211*l.*, coals 3,186*l.*, oxen and cows 30,857*l.*, and specie 6,247*l.*

From Canada the principal imports were box material 3,021*l.*, preserved fish 2,471*l.*, potatoes 2,813*l.*, and sugar 3,051*l.*

Exports.

9. The value of the exports in 1893 (inclusive of specie valued at 6,090*l.*) was 129,069*l.*, compared with 115,455*l.* in 1892.

Exclusive of specie the exports in 1893 show an increase compared with 1892 of 15,251*l.*, a decrease compared with 1891 of 6,824*l.*, with 1890 of 14,547*l.*, and an increase compared with 1884 of 58,003*l.*

The following table shows the value of the exports to the United Kingdom and other countries respectively in 1892 and 1893:—

	1892.	1893.
	£	£
United Kingdom	2,473	1,639
Canada	1,918	3,470
Other British Colonies	702	3,088
United States of America	108,787	119,131
Other countries	1,575	1,741
Total	115,455	129,069

The principal export to the United Kingdom in 1893 was arrowroot, valued at 989*l.*

The principal exports to Canada were lily bulbs valued at 1,209*l.*, and onions 956*l.*, and to the United States lily bulbs valued at 21,050*l.*, onions at 59,870*l.*, potatoes 26,622*l.*, specie 6,000*l.*, and cut flowers 1,367*l.*

The prices obtained for the crops in the season of 1893 were about the same as in the preceding year.

Population and Public Health.

10. The Registrar-General estimated the resident civilian population of these islands at the end of 1893 at 15,519, comprising 5,916 white (2,870 males and 3,046 females), and 9,603 coloured persons (4,441 males and 5,162 females).

The birth-rate was 34·6 and the death-rate 18 per 1,000. Of the births 11·3 per cent. were illegitimate. The infantile death-rate, or proportion of deaths of infants under one year of age to 100 registered births, was 18·4 per cent., a proportion which is about one per cent. higher than the decennial average.

The average strength of the Imperial Forces in Bermuda in 1893 was 2,990 and the deaths were 15, the rate of mortality thus being 5 per 1,000. Of these deaths, nine were due to enteric fever, one to alcoholism, one to aneurism, one to heart disease, one to tubercle of lung, one to abscess in sub-peritoneal tissue, and one to pneumonic phthisis.

The Senior Medical Officer in charge of the Military Forces in the Command reports that the general health of the troops has been very good. Average strength of the garrison, 1,390; number of admissions to hospital, 642; number of deaths, 12; average number of daily sick, 35·79; average sick-time to each soldier, 9·39 days; average duration of each case of sickness, 20·35 days. Average of officers, 58; cases of sickness, 15; deaths, none.

The Principal Naval Medical Officer reports that the mean daily strength of the Naval Forces at Bermuda, for the year 1893, corrected for the period that each ship remained in port, was 1,600; an increase of 50 as compared with the previous year. The number of cases treated was 678, a diminution of 39, as compared with the preceding year the reduction being chiefly observable in diseases of the respiratory organs. Thirteen cases of enteric fever were entered, seven of them from H.M.S. "Canada": there has been no death from this disease, and those in hospital are convalescent.

Criminal Statistics.

11. The number of offences reported to the police or magistrates during the year was 496, an increase compared with 1892 of 104, and with 1891 of 116.

The number of persons apprehended by the police or summoned before the magistrates was 450, of whom 270 were summarily convicted, 111 acquitted, 52 discharged for want of evidence, and 17 committed for trial in the Superior Courts. Of the 270 persons summarily convicted, 193 were fined, 7 imprisoned in lieu of fine or surety, 50 were peremptorily imprisoned, and 18 were bound over to keep the peace.

Twenty-four cases were tried in the Superior Courts during the year, and the convictions numbered 10; of these, one was for an unnatural crime, two were for offences against property, and seven are classified under the heading "miscellaneous offences."

Gaols.

12. The number of persons confined in the gaols was 126 (119 men and 7 women); of these, 54 were committed for safe custody till trial or for want of security, and 72 for purposes of penal imprisonment.

Lunatic Asylum.

13. Eleven patients (eight males and three females) were admitted into the asylum during the year, and six (four males and two females) were discharged. There were three deaths, one from kidney disease, one from epilepsy and one from syphilitic disease. The daily average number of patients during the year was 37½.

Education.

14. The Inspector of Schools furnishes the following returns:—23 aided schools; 1,360 scholars (718 boys and 642 girls); school fees, 733*l.*; Government contributions, 1,046*l.* Sixteen of these schools are attended by coloured children exclusively, and are conducted by coloured teachers. All of them but two are elementary schools.

From the other two, pupils were entered in December last as junior candidates for the Cambridge Local Examinations, a centre for these examinations having been established here in 1891.

There are about 30 other schools in the Colony receiving no Government aid.

Meteorological Observations.

16. The returns from the Observatory situated at Prospect Hill, 151 feet above the sea level, show as follows:—

Mean atmospheric pressure for the year, 30·111 inches; mean temperature of the air, 69·05; mean relative humidity, 80·7 per cent.; mean hourly velocity of the wind, 7·2; total amount of rainfall, 62·44 inches.

17. The usual table prepared for the Board of Trade statistics is given below:—

Population.

	Males.	Females.	Total.
1892 - - -	7,203	8,087	15,290
1893 - -	7,311	8,208	15,519

	1892.	1893.
	£	£
Gross amount of public revenue	33,955	34,893
Gross amount of public expenditure	31,643	33,713
Customs revenue	28,262	27,820
Public debt	9,100	17,600
	Tons.	Tons.
Total tonnage of vessels entered and cleared	348,576	354,083
Tonnage of British vessels entered and cleared	325,276	312,524
Tonnage of foreign vessels entered and cleared	23,300	41,519
Tonnage of sailing vessels entered and cleared	34,362	48,288
Tonnage of steam vessels entered and cleared	314,214	305,755
	£	£
Value of total imports (including specie)	329,283	327,580
Value of total imports of gold and silver bullion and specie (so far as can be stated)	340	6,267
Value of imports from the United Kingdom (including specie)	88,056	86,601
Value of total exports (including specie)	115,455	129,069
Value of total exports of gold and silver bullion and specie (so far as can be stated)	7,727	6,090
Value of total exports to the United Kingdom (including specie)	2,473	1,639
Amount of expenditure from loans on public works	1,219	—

I have, &c.,
(Signed) ARCHIBALD ALISON,
Colonial Secretary.

To His Excellency
General Thomas Casey Lyons, C.B.,
Governor and Commander-in-Chief,
Bermuda.

No. 116.

BRITISH HONDURAS.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 94.)

Presented to both Houses of Parliament by Command of Her Majesty.
August 1894.

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1894.

[C.— 7319.–14.]

COLONIAL REPORTS.

The following, among other, Reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page:—

ANNUAL.

No.	Colony.	Year.
79	Malta	1892
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,
108	St. Vincent	,,
109	Gibraltar	,,
110	Bahamas	,,
111	Turks and Caicos Islands	,,
112	Leeward Islands	,,
113	Barbados	,,
114	Malta	,,
115	Zululand	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany

No. 116.

BRITISH HONDURAS.

[For Report for 1892 *see* Colonial Report [Annual] No. 94.]

Sir A. MOLONEY to the MARQUESS OF RIPON.

Government House, Belize,
July 17, 1894.

MY LORD,

I HAVE the honour to transmit to your Lordship the report on the Blue Book of the Colony of British Honduras by Mr. E. B. Sweet-Escott, the Colonial Secretary.

2. Mr. Escott has compiled this report from the manuscript returns for the Blue Book as they passed through his hands, but I am afraid it will be some months before the Blue Book itself is ready for transmission to your Lordship, as the heavy work of the late Legislative Session has precluded the printing of the Blue Book being taken in hand until the present date.

I have, &c.

(Signed) ALFRED MOLONEY,
Governor.

REPORT on the BLUE BOOK of BRITISH HONDURAS for the year 1893.

Taxes, Duties, and other sources of Revenue.

No changes were made in the taxes and duties levied in 1893, as compared with those in force in 1892.

The light dues on all vessels of five tons and upwards entering from seaward are 12½ cents per registered ton, but Her Majesty's Ships of War and transport ships, ships arriving in distress and neither landing cargo for sale or consumption nor taking on board any additional cargo, and ships carrying mails under contract with the Government of this Colony are exempted from light dues.

For purposes of valuing goods on which duty had to be paid, the dollar was taken as worth 2*s.* 9*d.*, but its real value from January to May fell far below this, the Treasury rate, whilst from June to December the dollar was worth, on an average, only 2*s.* 1*d.*

General Revenue and Expenditure.

The total ordinary revenue for the year was $301,922.07 excluding the sum of $110,727.26 realised by a loan of 15,000*l.* raised to reimburse extraordinary expenditure incurred in

connexion with the Belize Town and Harbour Improvements Works and defrayed since 1890 from general revenue. The total ordinary expenditure, including the sum of $10,535.27 expended on new buildings and extensive alterations or additions to existing ones, but excluding the cost of the Belize Town and Harbour Improvements Works, which amounted to $29,183.04, was $365,519.15. The ordinary expenditure for the year exceeded, therefore, the ordinary revenue by $63,597.08, which excess was covered by repayments to general revenue from the loan of 15,000*l.*, which, at 2*s.* 9*d.* the dollar, realised $110,727.26, raised to defray the disbursements on the Belize Town and Harbour Improvements from 1890 to 1893 inclusive. These disbursements on the 31st December 1893 amounted to $115,506.78. The principal sources of revenue in which there was a falling off in 1893, as compared with 1892, were the customs receipts, internal taxation, and revenues of Government property. The falling off in customs receipts, which amounted to no less than $28,083.4 was due to a considerable decrease in imports, attributable to the uncertainty of trade, caused by the great depreciation of the local currency. The amount raised by internal taxation fell short by $11,258.24 of that raised in 1892, in consequence of the fees collected for liquor licenses no longer forming part of the general revenue, having been placed instead, by Ordinance No. 32 of 1892, to the credit of the different towns in the Colony.

The decrease in the amount realised under the heading "Revenues of Government Property" was due to lessees of Crown Lands not having paid their rents, and to fewer applications for licenses to cut timber having been received and granted.

The total sum voted for the service of the year 1893, as shown in the estimates, including $40,000 for the Belize Town and Harbour Improvements Works, was, $429,455.26, and the total expenditure $394,702.21, giving a saving of $34,753.05. Excluding the above mentioned sum of $40,000 and also the actual expenditure during the year on the Belize Town and Harbour Improvements Works, which was $28,857.88, the net saving was $23,610.94. Though the ordinary revenue for the year fell short of the ordinary expenditure by $63,597.08, the repayment to general revenue of the sums advanced on account of the Belize Town and Harbour Improvements Works admitted of a balance of $18,023.06 being carried to the credit of the Colony on the 1st January 1894.

The following table gives the ordinary revenue and expenditure f the Colony for the last four years.

	Revenue.	Expenditure.
	$ c.	$ c.
1890	332,135 87	293,510 46
1891	357,362 01	308,220 92
1892	338,659 98	333,646 72
1893	301,922 07	365,519 15

Assets and Liabilities.

On what may be termed the general account of the Colony, excluding the Savings Bank and Public Debt Accounts, the assets showed on the 31st December 1893 a balance over liabilities of $31,953.38. On the Savings Bank account, there was also at the same date a balance of $22,092.08, in favour of Assets over Liabilities, but on the Public Debt account the Liabilities exceeded the Assets by $227,175.17., the liabilities consisting solely of the three loans raised for the purpose mentioned under the heading "Public Debt"; taking the General Account, the Savings Bank Account, and the Public Debt Account, the total excess of Liabilities over Assets amounted at the end of the year to $173,129.61, or less than one-half of the Revenue collected in 1891, and little more than one-half the revenue collected in 1892.

Local Revenue and Expenditure.

The different towns in the Colony, namely, Belize, Corosal, Orange Walk, Mullins River, Stann Creek, Monkey River, and Punta Gorda, have separate local funds to which, since the passing of Ordinance No. 32 of 1892, are now credited all moneys received therein on the issue or transfer of liquor licenses, and, under Ordinance No. 6 of 1892, all moneys also received on the issue of dog licenses.

In the Cayo District, the moneys received on account of liquor licenses are similarly placed to the credit of the local fund of that district. The local fund of any town is appropriated and applied generally in the district within which such town is situated as the Legislative Council determines when the annual estimates are laid before them, but the recommendations of the Local Boards, under the Presidency of the Commissioner of each district, guide the Legislative Council in the appropriation of the Local Funds.

In Corosal, the local fund is increased by a property tax and market rents, and in Orange Walk by a property tax and Slaughter House fees, but, as markets have recently been built in Orange Walk and Stann Creek, the local funds of these towns will shortly be also augmented by market rents.

In Belize, the local revenue is derived, in addition to the receipts from liquor licenses, which in 1893 amounted to $6,935, from a property tax of 4 per cent. on annual value, a fire rate of 1 per cent. similarly assessed, licenses on horses, mules, asses, carriages, drays and drivers, rents of market stalls and Slaughter House fees and cemetery fees. In 1893, $79.25, were also realised by the sale of the water from public tanks during a prolonged period of drought.

The following table gives the actual revenue and actual expenditure of the different towns of the Colony from 1890 to 1893. The revenue does not include the balances to the credit of each town at the beginning of the year, which are detailed in the next table.

—	1890.		1891.		1892.		1893.	
	Revenue.	Expenditure.	Revenue.	Expenditure.	Revenue.	Expenditure.	Revenue.	Expenditure.
	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.	$ c.
Town of Belize -	*23,029 36	†23,029 36	16,175 61	‡16,003 72	22,271 53	16,670 66	22,763 84	24,954 23
Town of Corosal -	1,219 39	1,544 18	1,236 70	595 14	4,199 27	1,925 41	4,919 79	3,367 10
Town of Orange Walk	765 21	226 74	625 15	1,134 22	3,053 27	470 22	3,525 05	3,933 50
Town of Stann Creek	36 00	20 25	18 00	76 74	554 50	Nil.	864 00	821 56
Town of Mullin's River	51 00	Nil.	120 00	225 50	609 00	4 75	145 00	170 00
Town of Punta Gorda	51 00	Nil.	12 00	89 00	415 00	37 00	407 00	125 58
Town of Monkey River	36 00	Nil.	45 00	Nil.	711 00	Nil.	399 00	227 11
The Cayo District -	Nil.	Nil.	Nil.	Nil.	600 00	Nil.	600 00	600 00

* Including advances from General Revenue of $9,236.86.

† Including deficit on 1st January 1890 of $1,266.00.

‡ At the end of 1891, though the expenditure was less than the revenue for the year, the local fund owed to General Revenue $10,050.50 for advances received in previous years. This debt was, by a vote of the Legislative Council, struck off charge at the end of 1893.

The following table shows the balances remaining to the credit of each town from 1890 to 1893 on the 31st December of each year.

	1890.	1891.	1892.	1893.
	Amount.	Amount.	Amount.	Amount.
	$ c.	$ c.	$ c.	$ c.
Town of Belize - -	Nil.	665 57	*6,266 44	4,076 05
Town of Corosal - -	451 80	1,093 36	3,367 22	4,919 91
Town of Orange Walk -	1,590 52	1,081 45	3,664 50	3,256 05
Town of Stann Creek -	126 75	68 01	622 51	664 95
Town of Mullins River -	189 00	83 50	687 75	662 75
Town of Punta Gorda -	78 00	Nil.	378 00	659 42
Town of Monkey River -	36 00	72 00	783 00	954 89
The Cayo District - -	Nil.	Nil.	600 00	600 00

* Vide note "‡" page 6.

Public Debt.

The Public Debt of the Colony on the 31st December 1893, amounted to 35,150*l.*, and consisted of a loan of $55,750, (the dollar being taken as the equivalent of 4*s.*) raised in 1886 for improvements on the town and harbour of Belize, on which interest at the rate of 5 per cent. per annum is paid, and further loans of 9,000*l.*, and 15,000*l.* raised for the same purpose in 1888 and 1893 respectively. The two latter loans bear interest at the rate of 4½ per cent. per annum. The Crown Agents for the Colonies held on the 31st December securities to the amount of 2,197*l.* 1*s.* 1*d.*, on account of the sinking fund of the loan of 1886, and on account of the sinking fund of the loan of 1888, securities to the amount of 1,076*l.* 6*s.* 11*d.*, and 11*l.* 14*s.* 6*d.* in cash.

The full amount of the loan which was authorised to be raised under Ordinance No. 10 of 1891 was 20,000*l.*, but, as stated above, only 15,000*l.* were raised in 1893, the balance of the 5,000*l.* having been raised at the beginning of 1894. No investments have as yet been made on account of the Sinking Fund of this loan.

Local Boards.

The question of the introduction of the Municipal System into Belize, the capital of the Colony, has been engaging attention for some time, and, as a first step in that direction, a District

Boards Bill on a liberal basis was introduced and passed during the late session of the Legislative Council, and will shortly be brought into operation. Meanwhile, the Local Boards of Belize consist of the Central Road Board, of which the Governor is President, with extended powers over the whole Colony, the Local Board of Health, and the Quarantine Board, the latter two Boards being subject to the control of the Governor-in-Council. In each of the districts, there are a Local Board of Health, controlled by the Governor-in-Council, and a Local Road Board, under the Commissioners of Roads. The Commissioners of the respective districts are the Presidents of these Local Boards. The amalgamation of the two Local Boards in each district into one District Board, with powers over the whole district, and subject only to the control of the Governor, or of the Governor-in-Council will take place when the District Boards Ordinance, referred to above, and an exhaustive law dealing with Public Health, also recently passed, are brought into operation by proclamation.

Defence and Police Force.

The defence of the Colony, and the ordinary police work were in 1888 entrusted to a constabulary force raised during 1886, 1887, and 1888, when the Imperial Troops, consisting of two companies of the West India Regiment, were withdrawn, and the old Police Force disbanded. The constabulary at the end of the year was composed of an Inspector-Commandant, an Inspector, three Sub-Inspectors, and 170 non-commissioned officers and men. In 1893, the total cost of the force amounted to $71,986.95 out of which $58,430.38 were expended on salaries. The cost of the force in 1893 was greater by $6,370.05 than its cost in 1892. The Legislative Council have reduced the cost of the Establishment for 1894 to $64,893.94. The headquarters of the constabulary are now at Belize, where are the Newtown Barracks, the property of the Imperial Government, but handed over to the Colonial Government on the conditions that the buildings are kept in repair, and the foreshore line maintained. The principal forts are Fort Barlee, Corosal, and Fort Cairns, Orange Walk, whilst at August Pine Ridge, 18 miles from Orange Walk, there is a Block House used as an out-post station.

Public Works.

In 1893, $55,037.09 were expended on Public Works of all kinds, as against $54,745.31 similarly expended in 1892. From this sum of $55,037.09, $15,318.78 were spent on the maintenance of public buildings, and on general services connected with their up-keep, whilst $10,535.27 were devoted to what are generally termed extraordinary services, and included the cost of the construction of a landing pier at Stann Creek, and of placing in

position an iron bridge over the river on which that town is situated, of more than usually extensive repairs to public buildings, of the completion of the Hospital at Orange Walk, of the conversion of the Old Government Printing Office, Belize, into a suitable Police Station, and of the building of a new Police Station at Guinea Grass.

Over and above this expenditure, the sum of $28,857.89 was spent, during the year, on carrying out the works in connection with the improvements of the town and harbour of Belize, which principally consisted in 1893 of reclamation work. Up to the 31st December 1893, the total sum of $144,892.66 had been spent on the above mentioned works spread over the years 1888 to 1893.

	$ c.	
1888, 1889, 1890	21,556 20	Expended on carrying out scheme of Baron Siccama.
1890	29,385 88	Awarded to contractor including cost of arbitration for cancellation of contract.
1891	40,062 06	Expended on carrying out scheme of Baron Siccama.
1892	25,030 63	ditto
1893	28,857 89	ditto
Total	$144,892 66	

Legislation.

Only three Ordinances were passed in 1893, and these were "The Appropriation Supply Ordinance for the year 1893," and the Supplementary Appropriation Supply Ordinances for the years 1892 and 1893.

After a period of legislative inaction in 1891, 1892 was conspicuous for great legislative activity, thirty-six Ordinances being passed during that year. Beyond the Appropriation Supply Ordinances, there was, therefore, little necessity for legislation in 1893, but the members of the Legislative Council, though only called together in regular session on the 1st December, were consulted freely on financial matters and other questions of importance.

Councils.

The Executive Council is composed of the Colonial Secretary, the Treasurer, the Attorney-General, the Inspector-Commandant, and three unofficial members appointed by the Queen on the recommendation of the Governor; and the Legislative Council of the Colonial Secretary, the Treasurer, the Attorney-General, and five unofficial members also appointed by the Queen on the recommendation of the Governor. The Governor is President of both Councils.

Civil Establishment.

There is little of general interest to record under the above heading, and it is only necessary to refer to a temporary change that took place in the administration of the Government. After nearly two years residence in the Colony, His Excellency Sir Alfred Moloney, K.C.M.G., left the Colony in April on six months leave of absence, during which period the Government was administered by Mr. E. B. Sweet-Escott, who had arrived in the Colony the month previous. On the return of Sir Alfred Moloney at the end of October, Mr. Escott acted as Colonial Secretary until the close of the year.

Pensions.

Three officers retired from the service in 1893, and were granted pensions aggregating $535 a year. The total amount paid by the Colony as pensions was on the 31st December $9,510.26 as compared with $9,725.33 and $9,002.71 on the same dates in the years 1892 and 1891 respectively.

Consuls.

The following countries are represented by Consuls:—Nicaragua, Germany, United States of America, Spanish Honduras, Denmark, Norway and Sweden, Austria and Hungary, and Guatemala, whilst France and Spain are represented by Consular Agents.

Population.

According to the returns furnished by the Registrar-General, the total population of the Colony on the 31st December was 31,371, or 100 less than the number established by the Census of April 1891. To this number, however, of which 16,219 are males and 15,152 females, should be added the number of male adults employed in the wood-cutting industries in the Republic of Honduras and in Yucatan, who, with their wives and children, probably approximate 1,500, thus bringing up the total population of the Colony to 32,871. The total white population is given as 400, and the total coloured population as 30,971, to which numbers should be added the 1,500 souls connected with the wood-cutting industries.

The ratio of population to the square mile is for the Belize District 6·66, for the combined districts of Corosal and Orange Walk 4·09, for the Stann Creek District, 1·88, for the Toledo District, 2 38, and for the Cayo District 3·35, giving an average of 4·15 for the whole Colony. The following table gives the numbers employed

in agriculture, manufacture, and commerce in the different Districts.

——	Agriculture.	Manufacture.	Commerce.
Belize - - - -	361	56	681
Corozal and Orange Walk - -	946	86	168
Stann Creek - - - -	901	9	97
Toledo - - - -	723	5	60
Cayo - - - -	222	9	13
Total - - - -	3,153	165	1,024

The following table gives the number of births, marriages, and deaths and the rates per 1,000 of births and deaths for the last three years.

Year.	Births.	Birth rate per 1,000.	Marriages.	Deaths.	Death rate per 1,000.
1891 -	1,372	43·60	379	1,242	39·46
1892 -	1,219	38·73	372	1,282	40·73
1893 -	1,274	40·48	404	1,374	43·66

Ecclesiastical.

The Church of England, the Church of Rome, the Wesleyan, the Baptist, and the Presbyterian denominations are all represented in the Colony, and the following table gives the number of churches or chapels in each district:—

——	Wesleyan.	Church of Rome.	Baptist.	Church of England.	Presbyterian.
Belize - -	5	2	6	3	1
Corozal - -	3	1	—	1	—
Orange Walk -	1	3	2	1	—
Stann Creek -	5	3	—	2	
Toledo - -	2	5	—	—	—
Cayo - -	—	1	—	—	—
Total - -	16	15	8	7	1

In addition to the Roman Catholic Churches given above there are some 34 small chapels in Indian villages scattered throughout the Colony. The Church of England mission is the oldest established in the Colony, having been founded in 1812, and has now at its head a bishop recently consecrated. Next comes the Baptist Society, whose first minister arrived in Belize in 1822; then the Wesleyan Mission, established in 1825; then the Roman Catholic Mission, started in 1851, and now numbering the largest number of adherents of any of the Missions, administered by a Vicar Apostolic who is also Bishop of Eurœa: and lastly the Free Church of Scotland, whose first minister came to the Colony in 1852. No Church or denomination receives any grant from the public funds of the Colony. To these Missions the Colony is much indebted for the active part taken by them in Educational work, as evidenced by the fact, shown under the next heading, that out of 40 primary schools in existence at the end of the year only two were undenominational.

Education.

The system of education in the Colony continues to be voluntary and primary, there being no Government schools. The schools are assisted by grants paid from the General Revenue and based upon the attendance of pupils. In addition, bonuses are given to teachers. By the new Educational Ordinance, No. 25 of 1892, and the Rules and Regulations framed thereunder, monthly grants, calculated upon the average attendance, vary according as the schools are situated in the towns of Belize, Corosal, Orange Walk, Stann Creek, and Punta Gorda or outside their limits, as the pupils in attendance are classed as infants or adults, and as the teachers hold first or second class certificates. Grants are also paid in respect of each pupil who passes in the different standards. The amount of grants paid in 1893 aggregated $13,271.87 against $13,780.41 in 1892, whilst, in addition, $509.75 were paid as bonuses on examinations, and $128.38 were awarded in prizes. The Departmental Expenses amounted to $1,701.47 against $2,168.78 in 1892, making a total cost to the Government of $15,611.47 against a total cost of $16,517.94 in 1892. The average cost to the Colony for each child educated was $4.91 against $4.88 for 1892. The slight increase is due to the number of children on the roll being 204 less in 1893 than in 1892. The voluntary contributions in 1893 amounted to $5,170.36 and the school fees to $2,605.87. There were 40 schools in existence on the 31st December 1893, the same number as in 1892, of which 16 were under the management of the Church of Rome, 11 under that of the Wesleyan Mission, 11 under the Baptist Mission, five under the Church of England, and 2 were undenominational. In 1886 and 1887 the number of schools was 28, in 1888, 27, in 1889, 28, in 1890, 35, in 1891, 34, and in 1892, 40. The following

table gives the average enrolment, the average attendance and the percentage of attendance from 1886 to 1893 inclusive :—

Year.	Average Enrolment.	Average Attendance.	Percentage of Attendance.
1886 - - -	2,527	1,770	70·05
1887 - - -	2,612	1,794	68·65
1888 - - -	2,580	1,786	69·2
1889 - - -	2,569	1,786	69·63
1890 - - -	2,943	1,976	66·8
1891 - - -	2,994	2,013	67·24
1892 - - -	3,383	2,168	64·0
1893 - - -	3,179	2,072	68·0

Of the 3,179 pupils on the roll of all the Schools, 1,313 belonged to the Roman Catholic, 933 to Wesleyan, 488 to Church of England, 337 to Baptist and 108 to undenominational schools.

In reviewing the general educational work of the past year, the difficulties arising from many of the children having but a slight acquaintance with the English language must not be overlooked. Thus from Red Cliff, nearly at the extreme south of the Colony, to Stann Creek, the Carib language is most commonly used and the children, save in school, hear little English spoken. The so called Creole element is mostly found in the schools from Little River to Northern River, as well as in the Belize District and westward, whilst in the northern part of the Colony and the extreme west the languages in every day use are Spanish and Maya, the latter an Indian dialect. It is not, therefore, to be wondered at if primary education, with these linguistic drawbacks, should not be very advanced, though, having regard to this consideration, the results may be viewed as satisfactory. The children who attend school are on the whole bright and intelligent, and, if teachers were to judiciously make greater use of the native language of the children as the medium of instruction in teaching English, progress would be probably more rapid. In addition, however, to the difficulty arising from the multiplicity of languages, the want of proper roads, rendering communication between villages no easy matter, and the scattered nature of the population, must be remembered, whilst, in addition, many children are deprived for a large portion of the year of any opportunity of attending school owing to their having to accompany their parents who are employed in the bush in cutting logwood and mahogany. To the employers of those labourers who are engaged in the wood-cutting industries, the Government must necessarily look for the establishment of

temporary schools in the immediate neighbourhood of the logwood and mahogany works, and such schools, when once established would be able to participate in the grants annually voted by the Legislature.

In closing these remarks on the Educational system of the Colony, a reference should be made to the Second Annual Exhibition of School Work which was held in December last. This exhibition, which owes its origin entirely to His Excellency Sir Alfred Moloney, has now, thanks to his efforts, become an annual institution and is an important feature in the work of education. So far, the exhibits have been principally confined to specimens of needlework of all kinds, penmanship, and drawing, but it is hoped that in time the exhibits will include specimens of the various crafts and trades of the Colony, and will form a happy illustration of the successful development of industrial training which it is the anxious desire of the Government to foster and promote.

Currency.

The standard of value is still the Guatemalan dollar, which is the legal tender for sums of any amount. The following coins are also current, the Guatemalan half, quarter, one-tenth, and one-twentieth dollar, the Chilian dollar or sol, half-dollar, and one-fifth dollar, one-tenth dollar, and one-twentieth dollar, the Peruvian sol, half, one-fifth, one-tenth, and one-twentieth sol, and one-cent piece of British Honduras. It is somewhat of an anomaly that the one coin peculiar to the Colony is the one that has in itself no purchasing power, for there is not a single article that can be bought for a single cent piece. Throughout the year 1893 there was a marked depression of trade, owing in no small measure to the unhealthy condition of the local currency. The Treasury rate fixed for the dollar for the year was 2*s.* 9*d.*, but the exchange or commercial rate at no time reached that figure, and from June to December the average value of the dollar was only 2*s.* 1*d.*

From 1888 to 1894 the Treasury rating of the dollar, for purpose of account, has been as follows:—

	s.	*d.*
1888	3	1
1889	2	10
1890	2	10
1891	3	1
1892	3	0
1893	2	9
1894	2	5

There is no paper money of any kind now in circulation, and there is no banking establishment, but the majority of the large

commercial houses combine banking business to a limited extent with their wholesale and retail trade.

It is hoped that, as soon as the standard of the value has been changed from a silver to a gold basis a legitimate bank will be established.

The strong and practically unanimous appeal for a change in the currency to a gold standard which was made to the Imperial Government has been favourably answered, and the Local Government now only awaits the instructions of the Home authorities as to the final arrangements to be made for the conversion of the currency, it having already been decided, in accordance with the popular wish, that the standard shall be the American gold dollar, though the English sovereign will have also concurrent circulation. Though the existing depression in trade is not wholly attributable to the depreciated currency in which payments are made, it is clear that no branch of trade can be in a healthy condition when so much uncertainty exists as to the value of the medium of exchange, and a natural contraction of business operations must therefore ensue.

Trade of the Colony. Imports and Exports.

The following tables give the value of the Imports and Exports of the Colony during the decade from 1884 to 1893, from which it will be seen that, whilst the value of the Imports in 1893 was lower than that in any other year since 1887, the value of the Exports exceeded that of any of the nine years previous except 1889. The decrease in the value of Imports for 1893 compared with 1892 was $280,294, whilst the increase in the value of Exports was $393,882. The decrease in the value of Imports was due to the very natural shrinkage of trade owing to the depreciated state of the local currency, and the disinclination on the part of the merchants to import articles at enhanced prices until the then existing stock-in-trade had been reduced.

Imports.

Years.	United Kingdom.	Colonies.	United States.	Other Countries.	Total Imports.
	$	$	$	$	$
1884	638,012	4,353	409,833	135,492	1,187,690
1885	553,386	1,768	450,335	268,793	1,274,282
1886	470,147	7,564	465,355	236,747	1,179,813
1887	477,606	2,869	407,389	209,857	1,097,721
1888	684,677	1,058	572,851	220,462	1,479,048
1889	897,201	1,191	664,195	300,740	1,863,327
1890	855,221	4,162	667,921	302,176	1,829,480
1891	763,249	1,178	743,654	345,284	1,853,365
1892	682,174	6,170	793,620	259,271	1,741,235
1893	559,686	3,932	684,134	213,189	1,460 941

Exports.

Years.	United Kingdom.	Colonies.	United States.	Other Countries.	Total Exports.
	$	$	$	$	$
1884 - -	1,025,162	29	264,185	297,870	1,587,246
1885 - -	708,800	947	258,240	244,414	1,221,401
1886 - -	903,376	1,522	270,347	224,989	1,400,234
1887 - -	785,505	4,221	359,873	200,110	1,349,709
1888 - -	726,225	7,528	495,955	296,407	1,526,115
1889 - -	1,167,787	9,264	560,529	418,024	2,155,554
1890 - -	1,103,246	3,627	429,849	324,377	1,866.099
1891 - -	1,052,725	1,038	470,881	385,286	1,909,930
1892 - -	795,811	—	539,185	406,239	1,741,235
1893 - -	1,186,228	—	588,438	360,451	2,135,117

The following tables include the principal articles the importation and exportation of which show a decrease in 1893, as compared with the value of the same articles imported or exported in any one or all of the years 1889 to 1892 :—

Imports.

Articles.	1889.	1890.	1891.	1892.	1893.
	$	$	$	$	$
Agricultural implements -	1,399	1,490	189	388	383
Bacon and ham - - - - -	18,509	19,063	16,454	19,549	45,310
Beer, porter, cider, and perry -	29,577	28,294	23,790	22,704	22,057
Books, printed - -	5,409	9,896	3,405	2,529	4,033
Brandy - - - - -	15,626	32,297	23,009	19,276	7,527
Bread and biscuits - -	5,942	7,596	7,381	8,183	7,354
Bricks - - - - -	3,256	6,058	377	262	2,600
Candles, other than tallow -	6,563	8,608	5,332	8,854	6,665
Cattle (including horses and mules) - - -	67,258	69,899	59,332	145,770	62,811
Coffee - - - - -	11,278	24,666	13,359	22,115	19,933
Confectionery - - -	4,507	7666	6,246	7,219	4,947
Cotton goods - - -	307,338	323,735	289,819	221,547	117,352
Cigars - - - - -	11,356	9,967	14,452	10 826	11,444
Clothing - - - - -	78,409	41,176	49,928	52,581	49,816
Drugs and chemicals - -	16,039	16,988	21,359	22,747	17,608
Earthen and glass ware - -	21,175	14,349	29,932	9,963	15,377
Flour - - - -	87,414	68,824	89,805	91,890	88,418
Gin - - - - -	4,817	7,965	8,290	3,660	4,060

Articles.	1889.	1890.	1891.	1892.	1893.
	$	$	$	$	$
Gunpowder	10,918	8,777	7,917	4,970	334
Guns and pistols	12,971	8,489	13,540	15,229	7,380
Hardware and cutlery	55,580	67,111	61,904	49,017	43,741
Hides and skins	1,913	1,665	1,043	867	545
Ice	3,397	1,624	2,234	1,811	3,199
Logwood	49,642	57,887	45,678	14,625	16,781
Lumber (dressed)	17,312	18,881	16,478	19,827	17,338
Lumber (rough)	21,662	24,275	19,785	25,442	18,769
Machinery	14,783	18,203	27,645	21,131	5,104
Perfumery	16,548	14,243	18,059	12,691	8,931
Plate and jewellery	15,170	5,718	9,430	14,153	8,479
Rice	40,178	20,624	29,163	30,222	36,525
Rubber	5,327	4,715	6,208	385	1,745
Rum	80	2,561	545	269	74
Ship chandlery	8,001	3,516	5,261	9,527	2,586
Silks	28,925	13,404	27,725	16,574	14,645
Soap	23,389	35,562	24,338	26,841	25,195
Turtle	2,588	1,992	3,091	5,014	4,828
Vessels	5,599	1,024	302	1,738	15
Whiskey	9,902	12,904	17,204	14,392	10,224
Wood and wickerware	6,256	7,518	12,200	1,539	2,680
Woollen goods	18,092	24,148	44,665	30,687	18,236
Wines (sparkling)	4,871	6,981	8,600	3,469	3,895
Wines (still)	28,801	30,615	25,542	20,227	16,426

Exports.

Articles.	1889.	1890.	1891.	1892.	1893.
	$	$	$	$	$
Bananas	177,241	174,376	236,957	212,882	89,420
Beer, porter, cider and perry	2,233	1,908	2,467	1,198	803
Boots and shoes	4,341	not given	1,081	301	702
Cattle (including horses and mules)	4,080	1,350	3,512	Nil	Nil
Cedar	5,454	8,596	8,744	2 610	5,939
Clothing	10,296	7,627	3,344	6,390	2,251
Cotton goods	80,832	47,379	40,456	24,864	3,057
Earthen and glass ware	3,399	4,198	3,222	1,982	25
Gunpowder	5,779	2,407	645	428	437
Guns and pistols	4,231	4,098	3,725	2,872	1,005
Hardware and cutlery	10,945	7,537	7,449	5,078	2,607

Articles.	1889.	1890.	1891.	1892.	1893.
	$	$	$	$	$
Hats	6,135	1,924	2,297	1,430	729
Iron roofing	8,502	7,761	7,889	12,432	5,030
Matches	1,710	1,160	402	674	302
Perfumery	4,406	2,602	2,461	1,664	1,080
Plantains	11,002	16,340	17,039	12,191	5,574
Plate and jewellery	10,633	1,218	4,602	12,208	2,060
Rubber	18,874	23,712	15,832	7,450	3,782
Rum	12,332	5,866	4,256	3,298	8,322
Silks	10,014	11,421	13,090	6,824	3,209
Sugar (raw)	58,852	24,356	17,286	5,930	7,836
Sundries	32,299	16,826	24,430	25,784	8,310
Wines (still)	12,073	10,271	11,076	7,143	7,229
Woollen goods	3,251	1,376	7,033	3,506	796

The following tables include the principal articles the importation and exportation of which show an increase in 1893, as compared with the value of the same articles imported or exported in any one or all of the years 1889 to 1893 :—

Imports.

Articles.	1889.	1890.	1891.	1892.	1893.
	$	$	$	$	$
Aerated waters	2,081	2,158	6,572	5,089	6,587
Beef and pork	84,203	73,534	72,346	68,762	113,167
Boots and shoes	54,583	50,977	47,100	53,417	58,583
Cheese	11,998	11,797	11,383	13,838	13,970
Cigarettes	not given	not given	728	1,490	2,300
Oils (mineral)	15,647	16,620	17,163	13,232	17,218
Preserved provisions	74,571	107,971	97,802	107,433	115,550

Exports.

Articles.	1889.	1890.	1891.	1892.	1893.
Bullion and coin	352,658	198,488	160,480	276,543	451,485
Logwood	807,468	811,705	764,018	616,838	905,191
Mahogany	361,940	361,953	418,356	389,855	530,661
Tortoise shell	21,225	22,411	17,822	9,271	22,770

In the following table is given a summary of the total value of the imports and exports of the Colony in 1893 according to the classification recommended to be adopted by a committee which

was appointed in England under authority to examine the method of preparing import and export statistics in force in the various colonies:—

Nos.	Classes.	Imports.	Exports.		
			Home Produce.	Foreign Produce.	Total.
		$	$	$	$
1.	Live animals Food Drink and Narcotics	688,903	132,861	29,158	162,01
2.	Raw materials:				
	1. Textile	Nil	Nil	Nil	Nil
	2. Metal	Nil	Nil	Nil	Nil
	3. Other	36,888	1,341,202	136,571	1,477,773
3.	Manufactured materials:				
	1. Textile	200,371	Nil	10,564	10,564
	2. Metal	107,933	Nil	13,358	13,358
	3. Other	347,285	Nil	18,124	18,184
4.	Coin, bullion and specie of all kinds	79,200	Nil	453,279	453,279
	Grand total	1,460,941	1,474,063	661,054	2,135,117

Shipping.

There was a considerable increase in the number of sailing vessels entered and cleared at ports in the Colony in 1893, as compared with the returns for 1892, and, though there was a decrease in the number of steamers entered and cleared, the total tonnage of the steamers entered and cleared in 1893 was only 289 tons less than the tonnage of the steamers entered and cleared in 1892.

The following tables give the number and tonnage of sailing vessels and steamers entered and cleared for the five years from 1889 to 1893:—

Entered.

Year.	Sailing Vessels.		Steamers.	
	Vessels.	Tons.	Vessels.	Tons.
1889	353	29,509	167	139,497
1890	344	33,533	164	148,673
1891	312	36,089	191	142,515
1892	307	33,560	162	110,032
1893	379	30,935	144	107,941

Cleared.

Year.	Sailing Vessels.		Steamers.	
	Vessels.	Tons.	Vessels.	Tons.
1889 - - -	306	29,132	172	140,605
1890 - - -	322	30,267	168	151,594
1891 - - -	310	36,475	189	139,194
1892 - - -	312	33,303	159	108,429
1893 - - -	360	34,198	146	110,231

The nationalities and aggregate annual tonnage of the different sailing vessels and steamers entered and cleared at ports in the Colony from 1889 to 1893 are given in the four following tables:—

Sailing Vessels entered.

Year.	British.		Danish.		German.		Guatemala.		Honduranean.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
1889 -	195	12,946	2	586	3	834	1	6	26	407
1890 -	159	9,912	2	717	6	2,323	—	—	46	927
1891 -	127	9,001	2	450	5	1,868	—	—	63	1,235
1892 -	114	8,266	2	708	6	2,159	—	—	88	1,810
1893 -	177	8,817	2	266	5	1,978	6	37	93	1,800

(*continued.*)

Year.	Mexican.		Nicaraguan.		Swedish.		American.		Norwegian.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
1889 -	77	1,765	5	90	9	3,281	11	1,074	23	8,116
1890 -	69	2,071	7	206	7	2,431	7	351	41	14,595
1891 -	44	1,379	7	159	8	2,786	4	126	50	18,672
1892 -	26	813	7	161	6	2,272	14	1,142	42	15,495
1893 -	26	811	8	184	2	736	19	988	42	15,318

NOTE.—One Russian sailing vessel of 404 tons was entered in 1889.

Sailing Vessels cleared.

Years.	British.		Danish.		German.		Guatemalan.		Honduranean.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
1889 -	178	13,415	2	586	6	1,971	—	—	26	518
1890 -	143	9,025	2	699	5	1,915	—	—	49	965
1891 -	121	8,976	4	1,106	3	1,104	—	—	70	1,394
1892 -	117	7,382	1	354	8	2,934	1	7	87	1,749
1893 -	163	9,543	2	620	5	1,947	2	10	90	1,706

(*Continued.*)

Year.	Mexican.		Nicaraguan.		Swedish.		American.		Norwegian.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
1889 -	48	1,338	6	114	8	2,969	11	1,044	20	6,773
1890 -	65	2,028	10	239	7	2,370	6	340	35	12,686
1891 -	37	1,288	7	159	6	2,006	6	148	54	20,163
1892 -	27	843	7	161	8	2,944	12	1,012	42	15,183
1893 -	24	786	8	183	5	1,822	16	921	45	16,660

NOTE.—One Russian sailing vessel of 404 tons was cleared in 1889.

Steamers entered.

Year.	British.		American.		Norwegian.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
1889 -	65	60,439	102	79,058	—	—
1890 -	86	83,246	78	65,427	—	—
1891	65	52,883	118	85,243	6	3,431
1892 -	49	38,847	107	68,160	6	3,025
1893 -	35	40,875	99	62,241	10	4,825

Steamers cleared.

Year.	British.		American.		Norwegian.	
	Vessels.	Ton.	Vessels.	Tons.	Vessels.	Tons.
1889 -	68	60,488	104	80,117	—	—
1890 -	90	85,689	78	65,905	—	—
1891 -	68	53,094	111	80,470	8	4,672
1892 -	47	38,018	106	67,503	6	2,908
1893 -	37	43,174	101	63,063	8	3,994

Agricultural Statistics.

The estimated acreage of the Colony is 4,839,408 acres, in which are included the area covered by lagoons and rivers, amounting to 103,009 acres, and also that covered by the numerous cays, which is given as 112,529 acres.

Fifty-one thousand acres are returned as being under cultivation, and 4,572,872 as being uncultivated. The figures given as the uncultivated acreage do not include the area covered by lagoons, rivers and cays. The estimated acreage of mahogany and logwood works remains the same as in 1892, namely, 3,065,000, but these figures are only approximate. All town and suburban lands belonging to the Crown must be sold by public auction at an upset price fixed by the Governor-in-Council, which generally ranges from $1 an acre upwards, whilst leases of Crown land are also granted by the Governor-in-Council at rates varying from 25 cents an acre per annum, subject to such conditions as the circumstances of each case may seem to require. Rural land belonging to the Crown can now also be bought for agricultural purposes at $1 an acre, and every encouragement is liberally extended by the Government to agriculturists, on whose enterprise and energy the future of the Colony will have to depend. Free grants of rural lands are also given to *bonâ fide* immigrants who desire to settle in the Colony, in lots not exceeding 20 acres for each adult above 18 years of age, and 10 acres for each person under that age, subject only to easy conditions as to improvements and residence. About 3,077,146 acres of land in the Colony have been granted, and about 1,762,262 remain ungranted. The total number of acres granted in 1893 was 1,161¾, for which the average price of $2.00 an acre was received.

The following table gives the acreage of the six districts of the Colony, and of the alienated and unalienated lands in each district.

District.	Area.	Alienated.	Unalienated.
	Acres.	Acres.	Acres.
Belize - - -	1,102,000	928,291	173,709
Corosal - - -	446,208	409,313	36,895
Orange Walk -	916,800	876,900	39,900
Stann Creek - -	1,280,000	157,203	1,122,797
Toledo - - -	576,000	233,076	342,924
The Cayo - - -	518,400	467,880	50,520

In the following table is given the revenue derived by the Land Department from the sale or leases of lands, and the issue of licenses to cut timber.

Year.	Sale of Land.	Leases of Land.	Timber Licenses.
	$ c.	$ c.	$ c.
1890 - - -	1,080 25	4,276 99	9,100 71
1891 - - -	3,569 50	4,815 96	8,807 58
1892 - - -	1,519 50	4,392 67	3,985 41
1893 - - -	2,856 07	3,065 28	1,842 50

The marked falling off in the revenue derived in 1893 from timber licenses was due to the low price of mahogany throughout the year, and the consequent diminution in the number of applicants to cut mahogany on Crown Lands. Whilst there was an increase in the receipts from the sales of lands, there was a decrease in the receipts from the leases of lands, due to the loss which lessees of Crown Lands in the Southern District suffered by their plantations being either destroyed or seriously damaged by the heavy gale of the 6th July. At the present time, the increased facilities that now exist for the export and disposal of agricultural produce in consequence of a new steamship company having been recently locally organised by the principal capitalists of the Colony in the agricultural interests, has given a much needed impetus to agriculture, and numerous applications are now being made by persons in the Southern Districts of Toledo and Stann Creek for the purchase or lease of Crown Lands. As a further indication of the benefit that this new steamship company has been to agriculturists, the following comparative statement of bananas, cocoanuts, plantains, avocado-pears, and pine-apples exported during the first half-year of the years 1892, 1893 and 1894 is instructive

January to June.	Bananas.	Cocoanuts.	Plantains.	Avocado pears.	Pine-apples.
	Bunches.				
1892 -	238,389	618,340	796,400	—	600
1893 -	135,040	529,805	323,900	800	660
1894 -	180,356	603,175	821,600	4,250	4,521

The average rate of wages for labour was lower in 1893 than in 1892. Labourers engaged on plantations received on an average $10 a month with rations, or $1 a day without rations, as against, in 1892, $12 a month with rations or $1.25 to $1.50 a day without rations. Labourers employed in cutting mahogany or logwood

received in 1892, on an average, nearly $19 a month with rations, but in 1893 they received, on an average, not more than $18 a month with rations. For domestic labour the average rate of wages in 1893 was for males $10 a month, and for females $6, but these wages were almost invariably exclusive of their food, which must be borne in mind in considering the cost of servants.

The principal products of the Colony, in addition to mahogany and logwood, are sugar, rum, Indian-corn, bananas, cocoanuts and plantains, and the following table gives in the case of sugar, rum, and Indian corn, according to the returns supplied, the quantity produced from 1889 to 1893, and in the case of bananas, cocoanuts, and plantains, the quantity exported for the same period. The returns for sugar, rum and Indian-corn cannot, however, be considered as strictly accurate, and probably are very much below the actual quantity produced.

Year.	Sugar.	Rum.	Indian Corn.	Bananas.	Cocoanuts.	Plantains.
	lbs.	Proof gallons.	Bushels.	Bunches.	Number of Nuts exported.	
1889 -	2,390,900	67,966	100,451	356,285	1,859,313	1,085,280
1890 -	2,094,536	78,191	107,806	356,346	1,332,289	1,200,450
1891 -	1,655,664	52,757	105,840	472,436	1,964,175	1,580,200
1892 -	1,963,762	68,146	87,640	425,765	1,894,137	1,219,050
1893 -	1,490,920	57,178	47,607	189,420	1,177,315	506,400

Under bananas, cocoanuts, and plantains, as has been stated above, only the quantity exported has been given, as no reliable figures could be obtained as to the quantity grown. In endeavouring, therefore, to arrive at an approximate estimate of the bunches of bananas and the number of cocoanuts and plantains annually produced in the Colony, a reasonable allowance must be made for home consumption by a population of nearly 33,000 souls. A very considerable decrease in the quantity of bananas, cocoanuts, and plantains exported in 1893 will be noticed as compared with the four previous years, but this decrease is almost entirely attributable to the disastrous effects of the gale of the 6th of July, which wrecked or very seriously damaged nearly all the plantations in the Southern Districts of Stann Creek and Toledo. Considering the geographical position of British Honduras, the fertility of its soil, and the general salubrity of its climate, it is surprising that the number of its agricultural products as articles of commerce is not greater than it is. By the establishment, through the efforts of his Excellency Sir Alfred Moloney, K.C.M.G., in 1892, of a Botanic Station in Belize attached to the grounds of Government House, an attempt has been made to create a nursery for the cultivation of plants, of all kinds, of economic value. But the condition of the soil in Belize and the proximity of the station to the sea have proved the present site to be not altogether suited for its purpose, and it is hoped to shortly transfer the Botanic

Station to the Stann Creek District, where a site of some 75 acres, admirably adapted for its purpose, has been generously placed at the disposal of the Government by the Board of Directors of the British Honduras Syndicate. Even at Belize the Botanic Station has proved of value for, from the experiments made there, and from experience gained of the resources and capabilities of the Colony, it seems clear that the following products, in addition to those which have already proved successful, can be grown with advantage and with profit to agriculturists: cacao, castor-oil plant, coffee (liberica for the lowlands, arabica for the highlands), rubber, (*castilloa elastica*), cola acuminata, cotton, grape-fruit, ground nut, henequen, jute, lemon, lime, nutmeg, pine-apple, pimento, sapodilla, shaddock, tobacco, and vanilla. In addition to the above, the following kitchen-garden products, as they are generally termed, can be readily cultivated:—Artichoke (Jerusalem), asparagus, beans of various kinds, cabbage, carrot, cauliflower, celery, corn, cucumber, edible gourds, Indian kale, lettuce, melon, mint, ochro, parsley, potato (Irish and sweet), peas, spinnach, and tomatoes.

Bearing in view the short-sighted policy of depending on logwood and mahogany as the staples for the Colony's trade, it is to be hoped that the oft-repeated exhortation of His Excellency the Governor that the future of British Honduras must depend on its agricultural development will be borne in mind, and that in time this Colony will become, what it is eminently fitted by its climate and fertility to be, the garden of Central America.

It has been considered desirable in this report to refrain from giving any statement of the average prices of articles imported for use or consumption, as their prices depend on the fluctuations in the English and American markets, and on the varying value of the local medium of exchange. From January to May, at the commercial rate of exchange, the Guatemalan dollar was worth on an average 2*s.* 5*d.*, and from June to December 2*s.* 1*d.* Prices of imported goods, therefore, varied accordingly, though there was, on the whole, little variation in the prices of articles grown or produced in the Colony.

The following comparative statement of the cost during the years 1891, 1892, and 1893 of those articles which, for the most part, are grown or produced in the Colony, and constitute especially the food of the people, may be useful:—

	1893.	1892.	1891.
Wheaten family flour per lb.	06¼ c. to 09 c.	04 c. to 06¼ c.	04 c. to 06¼ c.
Wheaten bread { per 12 oz. loaf }	06¼ c.	per lb loaf 06¼ c.	per lb loaf 06¼ c.
Tea - per lb.	75 c. to $2	62½ c. to $1.50 c.	75 c. to $1.75 c.
Coffee - - -	50 c. to 62½ c.	37½ c. to 50 c.	31¼ c. to 37½ c.

	1893.	1892.	1891.
Butter - - per lb.	75 c. to $1.25 c.	62½ c. to 75 c.	50 c. to 75 c.
Beef (fresh) - „	18¾ c.	12½ c. to 15½ c.	15½ c. to 18¾ c.
Pork (fresh) - „	25 c.	12½ c. to 18¾ c.	18¾ c.
Mutton - - „	37½ c.	31¼ c.	31¼ c.
Turtle - - „	15½ c.	12½ c.	12½ c.
Fish (fresh) - „	03 c. to 06¼ c.	03 c. to 06¼ c.	03 c. to 06¼ c.
Plantains - - per 100	$1.25 to $1.50	$1.25	$1.00
Rice - - - per qt.	12½ c. to 15½ c.	12½ c.	12½ c.
Yam - - per lb.	04 c. to 05 c.	03 c. to 04 c.	03 c.
Sugar (raw) - „	12½ c. to 15½ c.	04 c. to 08 c.	06¼ c. to 09 c.
Milk (fresh) - per qt.	31¼ c.	25 c.	25 c.
Tobacco - - per lb.	50 c. to 62½ c.	25 c. to 50 c.	31¼ c.
Bananas - per bunch.	12½ c. to 25 c.	6¼ c. to 18¾ c.	06¼ c. to 18¾ c.

Manufactures, Mines, and Fisheries.

Eleven steam and 36 cattle sugar mills and 17 stills were, on the 31st December, in use in the different parts of the Colony, whilst in the Stann Creek District there were three saw mills at work. The Colony, instead of importing timber for building purposes, should be able to supply all that is required in that direction, and it is hoped that a further development of the industry will shortly take place.

The question of granting mining leases on favourable terms has lately received the attention of the Colonial Government, and is now under the consideration of the Secretary of State. The indications of minerals, and especially coal, that have appeared in the vicinity of the Cockscomb Mountains are most encouraging, whilst from the coast line to those mountains, the highest peak of which, Victoria Peak, is 3,700 feet above the sea-level, are traced alluvium, prime ridge gravel, calcareous shale and flagstone, clay shale and sandstone (coal measure), coast-range limestone (crystalline), coast-range schist and gneiss, black-shale and crinoidal limestone, second range grit and slate, granite, serpentine, felsite and quartz, porphyry and quartzite.

There is no established fishery in the Colony, but a bountiful supply of various kinds of fish, especially within what may be termed the Belize District, are caught from boats and doreys for local consumption. In 1893, 314 turtles were shipped to England by steamers. There are no manufactures save those for sugar

and rum, but a fair quantity of cigars and mocassins are annually made, and there is no reason why the cigar industry should not be considerably developed. There are extensive sponge beds along the coast and round the numerous cays or small islands, the varieties ranging from yellow or "Grass" to "Sheep's Wool." Specimens of these sponges have attracted much attention, and proposals made by a well-known English firm for developing this industry have received the support of the Colonial, and the approval of the Home, Governments. Should no hitch occur, it is hoped that before long sponges will form an important item in the export trade of the Colony.

Gaols and Prisoners.

The only real gaol in the Colony is that situated in Belize, as the gaols in the five other districts would be more correctly termed lock-ups, in which persons sentenced in the district courts to three months' imprisonment and less are confined. At Corosal and Orange Walk, these gaols are managed by officers called keepers of prisons, under the direction of the Commissioner of the district, and the prisoners are employed for the most part on services in connexion with the scavenging and cleaning of the towns. At Stann Creek, Punta Gorda, and the Cayo, the prisoners are all under the charge of a non-commissioned officer of constabulary, who takes his orders from the Commissioner. The Belize gaol is a well-organised institution, and reflects credit on the keeper, who is assisted in his duties by a chief warder, two warders, and five overseers. The gaol is not on the separate system, as the prisoners are worked in gangs, but the separation at night is complete, unless, as very rarely happens, there are more than 77 prisoners, when not less than three are confined in one cell. The prisoners engaged on extra-mural labour are principally employed on sanitary work, or on work in connexion with the improvements of the town and harbour. There are excellent workshops in the gaol, and the prisoners are taught various trades as tailors, carpenters, bootmakers, bookbinders, mat-makers, and tin-smiths. Brushes of different kinds, for domestic purposes as well as for cleaning houses, are also made.

The total cost of the Belize Gaol, all charges included, with salaries, in 1893 was $12,997.44, as compared with $11,999.81 in 1892, $10,680.16 in 1891, and $10,958.19 in 1890. The increased cost in 1893 and 1892, compared with the years 1891 and 1890, was due to the higher price of provisions in consequence of the depreciated value of the local currency.

The estimated value of the prisoners' labour in 1893 was $11,247.80 made up of inside labour $6,854.30 and outside labour $4,393.50, but, inasmuch as the value placed on the prisoners' labour was little, if at all, less than that of free labour, some deduction should be made from the estimated value given above. In 1892, the estimated value of the prisoners' labour was $10,088, in 1891 $13,569.75, and in 1890 $11,856.43.

The following table gives the number of prisoners committed to all the prisons of the Colony for penal imprisonment from 1889 to 1893, and the daily average number of prisoners in the Belize Gaol for the same years:—

Year.	Prisoners committed for penal imprisonment.	Daily average number in Belize Gaol.
1889	345	58·68
1890	328	51·01
1891	373	49·59
1892	371	45·70
1893	395	48·76

Hospitals, Lunatic Asylum, and Poor House.

The Medical Institutions of the Colony are as follows:—

The Public Hospital, Belize.
The Lunatic Asylum, Belize.
The Poor House, Belize.
The Contagious Diseases Hospital, Belize.
The Public Hospital, Corosal.
The Public Hospital, Orange Walk.
The Infectious Diseases Hospital, Orange Walk.

The Belize Hospital consists of five wards, having the following number of beds assigned to them, 11, 1, 1, 8, and 5. At the beginning of the year 1893, there were 25 male and 1 female patients in the Hospital, and 289 males and 15 females were admitted during the year; 258 patients were discharged as cured, and there were 32 deaths. The average daily number of patients in hospital, both male and female, was 18·24 as compared with 20·90 in 1892, 19·68 in 1891, 20·11 in 1890, and 19·76 in 1889. Out of a total number of 330 cases treated, 103 were cases of malarial fever, three being remittent and 100 intermittent, 30 were of rheumatism, 23 were diseases of circulatory or respiratory system, 21 were diseases of the skin, and 16 were cases of dysentery.

Eight patients were admitted to the Lunatic Asylum in 1893, five being males and three females, whilst three males and one female were discharged as cured during the year. The daily average number of patients during the year, including males and females, was 26·7 as against 23·08 in 1892, 23·30 in 1891, 24·56 in 1890 and 25·10 in 1889. There were no deaths in 1893.

In the Poor House, there were five males and three females at the beginning of the year, and during the year nine males and seven females were admitted, and one male and one female were discharged. There were seven deaths in all. The daily average number of

inmates of the Poor House was 10·8 as compared with 9·10 in 1892, when the present building was constructed for the reception of such persons as would properly be received into this Institution. The same excellent organisation and good management which have been noticeable in connection with these institutions still prevail, and the equipment of the Hospital especially leaves little to be desired. The Legislature have made for two years now provision for the salary of a trained nurse to be obtained from England. A suitable person for the appointment, and competent as regards the duties of nursing and midwifery has only just been found. The lady appointed as nurse arrived at the beginning of the present month. The absence of a trained female nurse has been much felt even in Belize, whilst in the other towns of the Colony there is undoubtedly much loss of life in cases of serious illness owing to the want of proper nurses. It is now hoped that, under the instructions of a thoroughly trained nurse, the native women will be able to be also trained as nurses for service in any part of the Colony.

The Contagious Diseases Hospital, formerly the Old Military Hospital, occupies a capital site at the extreme north of the land included in what is called the Newtown Barracks, is bounded on two sides by the sea, and is sufficiently isolated for all practical purposes. So far it has, fortunately, not been put into requisition, but it would be ready for use at a few hours notice.

The Corosal Public Hospital was first opened in 1883, and at that time had accommodation for six male and two female patients, In 1892 and at the beginning of 1893 it was enlarged and can now comfortably accommodate ten male, as well as two female, patients. During the year 187 males and 8 females were admitted, 130 patients in all were discharged as cured, and 41 as relieved.

The number of deaths was 16. The daily average in hospital, both of males and females, was 8·56. As the number of admissions to this Hospital in 1890 was only 61, the daily average being 3·04, it will be seen that the benefits derivable from that Institution are becoming more widely appreciated; of the 198 cases treated, 53 were for remittent, and 3 for intermittent, fever.

The Hospital at Orange Walk was opened by His Excellency Sir Alfred Moloney, K.C.M.G., on the 14th February 1893, but it was not ready for the reception of patients until the 17th of March following. Since that date up to the close of the year 140 male patients were admitted, of whom 109 were discharged as cured, and 16 as relieved, whilst five died. The daily average in the hospital since it was opened was 3·5. Out of the 140 cases treated, 69 were for malarial fever. Owing to the depressed state of the finances, it was not found possible to carry out in 1893 the original intention of building a Cottage Hospital at the Cayo, and Hospitals at Stann Creek and Punta Gorda similar to the one erected at Orange Walk, but the necessity of these Institutions is pressing, and, should circumstances allow, it is hoped that all these buildings will be erected in 1895.

Charitable and Literary Institutions.

The only Charitable Institutions in the Colony are the Public Hospital, Asylum, and Poor House in Belize, and the Public Hospitals in Corosal and Orange Walk, which have been referred to in the preceding sections.

There is no Literary Institution in existence, though a well meant, but badly organised, attempt was made in 1893 to establish one by private subscription. Without proper plans, and with insufficient funds, the skeleton of what was to be a "People's Hall" was hurriedly run up on a site granted by the Government in 1891, in the centre of the town of Belize. The structure was, however, blown down by the gale of the 6th July, which caused considerable damage to the plantations in the Southern part of the Colony, and no attempt has been made to rebuild it. It is now proposed, under the auspices of the Government, to establish an Institute which would comprise a museum, and library, and reading, writing, and debating rooms. Of such a museum and library a nucleus has already been formed, and contributions from all quarters are desired and invited. To ensure the stability of such an institution, a recently passed law provides that only on the sum of 3,000*l.* having been raised is the building to be commenced.

Meteorological Observations.

According to the observations taken at the meteorological station at Belize, the mean maximum temperature in 1893 was 89° for May, 86° for March and June, 85° for April and September, and 84° for February and July, whilst the mean minimum temperature was 53° for December, 62° for January, 70° for October, 71° for February, 73° for November and 76° for March. The average maximum temperature for the 12 months was 82·6, and the average minimum temperature 73·2. The total rainfall for the year was 51·26 inches, and rain fell on 109 days. No rain fell in April, and only 0·60 inches in March. The greatest rainfal was in September with a total of 10·85 inches.

The following table gives the total rainfall, and the number of days on which rain fell during the last four years :—

Year.	Total Rainfall, Inches.	No. of Days' Rain.
1890	74·31	124
1891	66·82	115
1892	72·64	119
1893	51·26	109

On 193 days the direction of the wind was S.E., on 67 days N.E., on 30 days N.W., and on 27 days N.

A slight shock of earthquake was felt at 4.30 p.m. on the 6th August.

Savings Bank, and Friendly Societies.

The Government Savings Bank, Belize, was established in 1846, and branches were created at Corosal and Orange Walk in 1881, and at Stann Creek, Punta Gorda, and the Cayo in 1892. In the following table are given the number of depositors on the 31st December of each year from 1884 to 1893, the amount of deposits and withdrawals during each of these years, the amount to the credit of depositors on the 31st December of each year, and the revenue and expenditure of the Savings Bank for each of the ten years.

In the expenditure the cost of the management of the Savings Bank in Belize and in the other towns of the Colony has not been included, seeing that no special staff is set apart for this purpose, the duties connected therewith falling on the officers of the Treasury and on the Commissioners of the various Districts, without additional remuneration.

Year.	No. of Depositors on 31 Dec.	Amount of Deposits during Year.	Amount of withdrawals during Year	Amount at credit of Depositors on 31 Dec.	Revenue.	Expenditure.
		$	$	$	$	$
1884	342	14,897.90	9,200.00	38,950.96	1,175.00	890.20
1885	372	11,147.11	12,686.48	37,411.69	1,883.99	1,070.73
1886	393	16,091.77	17,099.31	36,404.15	1,208.08	1,149.98
1887	376	7,795.39	9,966.77	35,233.78	1,364.47	1,033.02
1888	359	16,780.56	12,322.49	40,628.04	1,563.38	936.55
1889	408	15,042.32	14,321.96	41,348.76	1,651.53	1,079.70
1890	380	19,231.72	19,586.11	42,040.57	1,651.53	1,352.67
1891	377	17,230.07	16,987.18	42,293.46	1,757.86	1,101.91
1892	370	20,859.30	14,961.68	48,337.02	18,06.66	1,026.89
1893	373	18,751.13	22,040.10	4,380.94	2,000.89	1,197.32

As regards the disposal of the Savings Bank Funds, 7,000*l.*, which at 2*s.* 5*d.* to the dollar are the equivalent of $57,931.03, are invested, whilst $7,104.55 remain in the hands of the Treasurer and the District Commissioners, who are Sub-Accountants. Interest is paid on deposits at the rate of three per cent. per annum, and the amounts inserted in the column headed "Expenditure" represent the interest thus paid during the year.

From the above table it will be seen that the number of depositors in 1893 exceeded the number in 1892 by 3, though the amount of deposits was less by $2,108.17 in 1893 than in 1892. The large increase in the amount withdrawn in 1893 as compared with 1892 is probably due to the depression of trade, and to the necessity that existed in many cases of persons living on their savings, or of utilising their savings for the promotion of their business. The difference of the revenue and expenditure for the year represents a net gain to the Government of $803.57.

The existence of three Friendly Societies in Belize is a healthy indication that the lessons of thrift and self-help are being learnt by its inhabitants. Of these societies, the oldest is the Grand United Order of Odd Fellows, having been established in June 1881, and now counting 66 members. The funds invested by this society amount to $350.

Next comes the Friendly Society of Belize, established in November 1890, and, with 140 members belonging to it, having the considerable sum of $2,094.87 invested in property.

Last comes the Union Friendly Society, established in December 1890, and having no less than 266 members. The funds invested by this society amount to $3,800, and, like the former societies, it was founded to afford assistance to its members in times of sickness, trouble and death. None of these societies receive Government assistance.

Government Houses.

Government House is admirably situated on the South Side of the town of Belize, and, standing in about two acres of land, principally composed of lawns, intersected by a carriage drive, directly faces the sea, from which it is distant only some twenty yards. Included in the grounds are a small flower garden and a Botanic Station, which occupies the site, now greatly improved, of the former kitchen garden. The Botanic Station is managed by a Superintendent, with five labourers, who are also employed in keeping in order Government House grounds proper. Government House itself remains in much the same condition as was described in the report for 1892, and urgently requires repairs, but the estimated cost of these repairs, namely, $11,000, is at present beyond the means of the Colony, and it will probably be found necessary to continue the system of patching which has hitherto been adopted. The house itself is most inconveniently built, and would require, when under repairs, very radical alterations before it could be converted into either a suitable or comfortable residence for the Governor.

Roads, &c.

There are no railways, canals, telegraphs or telephones in the Colony, and the roads, such as they are, with a few exceptions,

consist of paths cut into the forest which there is considerable difficulty in keeping clear. The control of the roads throughout the Colony is vested by law in a board, appointed by the Governor, and called the Commissioners of Roads. The Governor is also President of this Board. In each District there are District Road Boards, presided over by the Commissioners of the District. The members of these Boards are the most influential and representative men of the District, and are appointed by the Governor. On the recommendations of these District Boards, the Commissioners of Roads decide as to the road-work to be undertaken during the year, and, having regard to the large extent and nature of the country through which the roads have to run, and the small means at the disposal of the Government, the number and length of roads that are kept open and cleaned during the year must be viewed as creditable to all concerned. The work of cleaning the roads is, as a rule, performed under contract. For many years to come, however, until population and wealth increase, and the country is more opened up, the rivers and seas must continue to be the principal highways of communication.

The following table shows the amounts expended on the roads of the Colony from 1890 to 1893.

Year.	——
	$ c.
1890 - - -	6,162 82
1891 - - -	4,114 02
1892 - - -	4,139 24
1893 - - -	7,533 15

With the exception of very small sums expended on the repair of the streets of the towns of Stann Creek, Mullins River, Punta Gorda, and Monkey River in 1893, the above figures are exclusive of the cost of the repair of the streets in the towns of Belize, Corosal, and Orange Walk. In the figures given opposite the years 1890 and 1891, the cost of the up-keep of the Haulover Road, which has been laboriously constructed for a length of some six miles through swampy land, and at the present time forms the only outlet by land from Belize, has been included, but the cost of the up-keep, which in 1892 was $2,740.61, and in 1893 $1,229.75, is not included in the figures given above, showing the amounts expended on roads for these two years.

The great increase in the expenditure on roads in 1893 as compared with 1892 is consequent on the increase in local or district funds by the transfer of the moneys received on liquor licenses, under the operation of Ordinance No. 32 of 1892, from General Revenue to the fund of that town where such moneys are received,

and this result alone fully proves the wisdom of this legislation, apart from the general satisfaction caused by taxes being spent in the District where they are raised.

In referring to the means of communication which exist in the Colony, the tram line which connects the prosperous and progressive little seaport town of Stann Creek with the Melinda Estate, belonging to the British Honduras Syndicate, should not be overlooked. This tram line, which was opened by His Excellency Sir Alfred Moloney, K.C.M.G., on the 28th May 1892, is 5 miles and 20 chains in length. Its gauge is 2½ feet, and its sleepers and rails are both of steel, the former weighing 32 lbs. to the yard. The road runs along a line 40 feet wide on which is laid an embankment of an average width of 10½ feet, and of a varying height from 1 to 7 feet. The tram is principally used to convey the products of the Melinda Estate to Stann Creek, but the small proprietors bordering the line are allowed, for a very small charge, to make use of the cars for the carriage of their bananas. At the town of Stann Creek, the line runs on to a pier 200 feet in length, which has recently been constructed by the government, and which only requires lengthening to admit of the fruit and other agricultural produce brought down on the cars being at once placed, without a second handling, on board the vessels by which they will be carried to their destination. It is understood that the question of the extension of the tram line is now under the consideration of the Syndicate, and the benefit that the Colony would derive from the opening up of the interior of the District of Stann Creek, the soil and climate of which are especially well adapted for agriculture, would be unquestionably very considerable.

Though no railway at present exists, the question of the possibility of one being constructed has not been lost sight of. The survey which was begun in 1892, with the object of determining the best route through Crown Lands for a railway to the Western frontier of the Colony, had to be discontinued owing to the physical difficulties encountered. What is termed the Belize River route, already surveyed for nearly 40 miles, is considered by some persons the only possible one for a railway to the Western Frontier, but as such a railway would have to pass principally through private lands of by no means a rich nature its advantages would be considerably discounted. Whilst it would unquestionably increase the prospect of any railway proving a financial success if the certainty of its being able to link with any of the Central American Systems could be secured, and whilst it seems proved that in the neighbourhood of Peten there is a mine of wealth awaiting in the form of logwood forests, which are at present valueless owing to there being no means of conveying the wood when cut, but the natural outlet for which would be through the Cayo and Belize districts, still the great advantages, and possibly of a more permanent nature, to be obtained from opening up the rich country in Stann Creek District must not be overlooked.

Though no telegraphs at present exist in the Colony, an Ordinance has recently been added to the Statute Book authorising the construction of telegraph lines and the raising of a loan of 6,000*l.* for that purpose. It is not, however, proposed to take advantage immediately of this legislative authority.

Postal Statistics

The total Revenue of the Post Office for 1893 was $6,903.86, as compared with $7,778.19 for 1892, showing a decrease of $874.33, and the total cost, including $10,184.17 for salaries, wages, &c., and all expenses of Postal Service within the Colony, and $20,000 for conveyance of mails beyond the Colony, was $30,184.17 as compared with $31,019.16 for 1892, showing a decrease of $834.99, but a deficit on the service of the year of $23,280.31. The mail service beyond the Colony, which is a weekly one, is performed by steamers belonging to the New Orleans and Belize Royal Mail Steam Ship Company, under a contract which came into force on the 12th January 1892, and expires on the 11th January 1897.

The total number of ordinary letters sent to, and received from, abroad was 79,985, of postcards 1,810, of registered letters 2,597, of newspapers, books and samples 61,078, and of parcels by parcel post 579.

The total number of inland letters passing through the Post Office was 35,507, of newspapers and books 7,088, and of parcels 414.

Money Orders amounting to 944*l.* 3*s.* 7*d.* were issued during the year on the United Kingdom and other countries, and orders amounting to 78*l.* 19*s.* 5*d.* were paid.

The inland postal order system was only introduced in August, but between that month and the 31st of December, 135 orders, amounting in value to $692.25 were issued, and as the advantages of this system are becoming known, greater use is being made thereof.

In addition to the Central Post Office in Belize, eight other Post Offices were open in different parts of the Colony at the end of the year.

Conclusion.

In concluding this summary of the Colony's position at the end of 1893, as illustrated by the preceding paragraphs, I may perhaps be allowed to briefly refer to the fortitude with which the stress arising from a depreciated currency, a marked shrinkage of trade, the low price of mahogany, and the devastation of the fruit plantations in the southern parts of the Colony by the disastrous gale of the 6th July, has been borne by all classes without

exception, and to point hopefully to the dawning of what appear to be happier and more prosperous times for British Honduras. Two years of marked improvement in the Public Health have now been succeeded by a third year, which, in this respect, seems likely to surpass its predecessors, whilst the immediate prospect of a final settlement of the currency on a stable basis, the increasing activity, since the establishment under local management of the Mutual Fruit and Steamship Company, in agricultural industries, which is so forcibly exemplified in the comparative table, given under Agricultural Statistics, of the exports of agricultural produce for the first half-year of the years 1892, 1893, and 1894, and the prominence that the timber industry, exclusive of the cutting of logwood and mahogany, is now assuming, have already begun to exercise a beneficial influence on the community at large, and it is with reasonable confidence that we can now look forward in the near future to a revival of trade, to a rapid increase in the number of economic products, and so to that natural development of the resources of the Colony on which the happiness and prosperity of its inhabitants must finally depend.

E. B. SWEET-ESCOTT,
Colonial Secretary.

July 17, 1894.

COLONIAL REPORTS.—ANNUAL.

No. 106.

GAMBIA.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 80.)

Presented to both Houses of Parliament by Command of Her Majesty.
26 *June* 1894.

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1894.

[7319.–4.]

COLONIAL REPORTS.

The following among other Reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page :—

ANNUAL.

No.	Colony.	Year.
69	Victoria	1891
70	Rodrigues	,,
71	Bermuda	1892
72	Fiji	1891
73	British Honduras	,,
74	Turks and Caicos Islands	1892
75	Gibraltar	,,
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Jamaica	,,
103	Newfoundland	1892
104	Victoria	,,
105	Bermuda	1893

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 106.

GAMBIA.

(For Report for 1892, *see* Colonial Report [Annual], No. 80.)

Administrator LLEWELYN to the MARQUESS OF RIPON.

Government House, Bathurst, Gambia,
MY LORD, April 16, 1894.

I HAVE the honour to forward to your Lordship the Blue Book of this Colony for the year 1893, together with my report on the same.

I have, &c.
(Signed) R. B. LLEWELYN,
Administrator.

REPORT ON THE GAMBIA BLUE BOOK FOR THE YEAR 1893.

The Revenue reached the largest total, I believe, on record of 31,898*l.* 10*s.* 5*d.*, and the expenditure amounted to 38,143*l.* 6*s.* 4*d.*, which includes the sum of 9,500*l.* on a new Wharf, so the ordinary expenditure of the Colony was about 28,000*l.*, the same as it has been for the last three years.

The surplus assets on the 31st December were 13,915*l.* 6*s.* 9*d.*, invested in various Government securities in England.

Briefly there is no sign of any great elasticity in the financial prosperity of the Colony, but it is holding its own and should, if anything, advance, though but slowly.

Public Works.

The principal new work was the erection of a Powder Magazine, inside the walls of what was formerly the Coal Depôt at Half-Die.

The plan for this building was furnished by the War Department and it is therefore of excellent design.

Four new Iron Buoys with moorings complete, were purchased at a cost of 600*l.* and have replaced the old ones at the entrance of the river.

An expenditure of 3,232*l.* on ordinary current repairs, &c. has helped to keep the Public Buildings in good order.

I 81860. Wt. 21999.

Legislation.

Eight Ordinances were passed during the year, the most important being one "To provide for the granting of Annual Trade "Licences to persons intending to trade in certain territories "and towns within the boundaries delimited by the Anglo-French "Boundary Commission of 1891." Formerly the Chiefs and Alcaides exacted from traders varying "Customs" as all such taxes were called, and many disputes arose in the collection of those Customs. Now all traders obtain a Licence at the Treasury in Bathurst, which they show to the Alcaides in the towns, and these are accepted by them as a proof of payment of Customs.

The licence is paid for in cash at the Treasury and is considerably lower than the amount the traders formerly paid in goods. It is intended to award the Alcaides a proportion, depending in some degree upon satisfactory performance of duties, not exceeding one-half of the amount derived from Licences taken out in their several Districts. The total sums realized from such Licences in the first season has amounted to over four hundred pounds.

Ordinances were passed abolishing all fees to the Collector of Customs and other officers in the Customs Department, and doing away with the payment of fees to the Postmaster and Clerks for Sunday work in the Post Office, the general principle being gradually adopted in all Departments of abolishing all fees and perquisites.

Proclamations were issued requiring all guns and firearms to be presented for the purpose of being marked, and appointing the new Government Powder Magazine at Half-Die as a place in which all powder imported shall be deposited. These steps were required in carrying out the provisions of the Brussels Act.

Civil Establishment.

The Honourable Harry Holme Lee, Collector of Customs, died on the 19th of August, and his office was not filled until after the end of the year.

Dr. Finucane, Assistant Colonial Surgeon, who was invalided from this Colony, was transferred to Fiji in May.

In the month of January, Commander R. Jukes Hughes (retired) arrived in the Colony as successor to Captain Hawtayne in the office of Superintendent of Police, but seven weeks after his arrival Captain Hughes was invalided and remained on leave until the middle of September.

Messrs. J. H. Ozanne and C. F. Sitwell arrived in January and assumed the duties of Travelling Commissioners in the Colony.

Dr. W. T. Prout, transferred from the Gold Coast, arrived on the 1st of April and took up his appointment as Colonial Surgeon.

Mr. W. Cuddeford was appointed Local Auditor in September in conjunction with the Colony of Sierra Leone.

The usual leave of absence was granted to the Treasurer, Mr. Moseley, and the Confidential Clerk, Mr. Gace, and the Administrator was invalided to England for seventy days from the 10th of July.

Pensions.

Mr. T. W. Jackson, formerly Chief Magistrate, who was in receipt of a pension of 150*l.* per annum, died on the 3rd of July, and as there have been no additions to the Pension List for two years, the vote is now only 744*l.* 19*s.* 9*d.* as against 1,380*l.* at the end of 1891.

Foreign Consuls.

Mr. Charles Julius Mann was recognised as Vice-Consul for Portugal on the 29th September.

Population and Vital Statistics.

The following is the Report of the Registrar on the Vital Statistics of the Colony:

Births.

The births registered in the Colony during the year 1893 numbered 332 as against 391 in the year 1892, and corresponded to an annual rate of 23·2 per 1,000 of the aggregate population.

In Bathurst	-	216	Births were recorded.	
„ British Combo	-	35	„	„ „
„ Ceded Mile	-	58	„	„ „
„ Macarthy's Island		23	„	„ „
		332		

The sex-proportion of infants born shows an excess of males, there being 170 males to 162 females.

Other dependencies of the Colony, such as Bai and Kansala, furnished no returns.

Of the 332 births, 328 were black, and four hyorid. Thirty were legitimate, or 9·0 per cent. of the total births, not including the births registered by Mohammedans, who are validly married according to their tenets. There is no doubt that a not inconsiderable number of births escaped registration.

Deaths.

The mortality recorded during the period under review numbered 611 including still-births, and corresponded to an annual rate of 42·8 per 1,000 of the aggregate population.

GAMBIA. 1893.

The deaths registered in the following districts corresponded to the following annual rates per 1,000 of their respective populations.

Bathurst	45·4
Ceded Mile	38·9
British Combo	69·8
McCarthy's Island	49·0

The computation makes no allowance for increase or decrease of population, but is based upon the figures of the recent decennial census. Infant mortality was exceptionally high, 190 infants having succumbed to various ailments during the year, convulsions, consequent upon dentition, and diseases of the respiratory organs being the most fatal.

The months of January, February, and August were markedly fatal to infant life.

Three Europeans died within the same period, one from malarial fever, another from pneumonia, and the third from heat stroke and syphilis.

The following are the registered causes of death:—

Abscess	1	Debility	3
Anasarca	2	Diarrhœa	3
Chronic alcoholism	1	Diseases of the lungs	26
Phthisis	2	Diseases of the heart	9
Anæmia	1	Dropsy	56
Asthma	1	Dysentery	5
Boils	1	Elephantiasis	1
Bowel complaints	59	Exhaustion	1
Bronchitis	2	Small-pox	16
Burns	2	Senile decay	8
Bursting of a blood vessel	1	Still birth	26
Cerebral apoplexy	1	Suicide	2
Chest affection	59	Syncope	1
Child birth	5	Syphilis	1
Fevers	48	Teething	3
Fistula	1	Murder	1
Killed by alligator	1	Piles	2
Leprosy	2	Pleurisy	1
Liver complaint	3	Pneumonia	4
Meningitis	1	Rheumatism	6
Mumps	39	Tetanus	2
Consumption	6	Ulcers	6
Convulsions	27	Unascertained or ill defined	158

Marriages.

There were 30 marriages solemnized during the year as against 24 in the preceding year, viz.; 8 in the Anglican Church, 4 in the

Roman Catholic Church, and 18 by ministers of the Wesleyan Methodist Society.

Alien Children

The number of aliens registered during the year was 17, of the following nationalities, Mandingoes 9 Bambaras 2, Jolahs 3, Tillibunka 1, Turanka 1, Foulah 1. Two aliens died and fifty-seven obtained their discharge. By permission of the Administrator six aliens were removed temporarily from the Colony, three of whom have returned, and three are still absent.

In April the Legislature passed the "Registration of Alien African Children further Amendment Ordinance, 1893," which, by Section 4, reduces the age limit for the deter mination of apprenticeship to 15 years in the case of girls, and 16 years in the case of boys. The Ordinance further makes it compulsory upon all guardians having the legitimate control of any registered alien child to send him or her to a school which is either supported by the Government, or is entitled to receive aid from the public funds of the Colony. By Section V, of the said Ordinance every schoolmaster is required to transmit to the Registrar monthly a certificate of the attendance of every alien child in his school upon pain of the penalty set forth in the same section. In consequence of these salutary provisions guardians are now more alive than hitherto to their responsibility towards their apprentices who, as never before, attend school more regularly, and the aliens who are under the custody of Mohammedan guardians are now attending one or the other of the denominational Christian schools in Bathurst, where they are taught the rudiments of an English education with most beneficial results.

The number of alien children on the roll at the beginning of the year was 172, and on the 31st December 132, 17 names having been added in the course of the year, and 57 deleted. The number of aliens introduced into the Colony for registration has markedly declined within the last few years, and since 1889 there has been a constant yearly decrease, as the subjoined comparative summary will show.

Year.	No. of Aliens on the Roll.	Introduced into the Colony.	Struck off the roll.
1889	551	21	121
1890	409	7	24
1891	378	5	110
1892	263	22	69
1893	172	17	57

The probable explanation of this gradual decrease is the stringent restrictions with regard to the removal of aliens from Bathurst. Another reason may be that aliens of Jolah nationality, who make the best apprentices, are no longer obtainable to the same extent as formerly.

The above figures do not take into account the adult aliens brought into the Colony through the agencies of the Travelling Commissioners in 1893, the number of which was 100.

Education.

Owing to the prevalence of cholera in Senegal during the last half of the year the schools in the Gambia could not be examined by the Inspector, who resides in Sierra Leone, as it was feared by the Government of that Colony that cholera might appear here and that the Inspector would not then be able to get back, so he was not allowed to leave, a rather unnecessary precaution, and as it turns out, entirely so.

The schools were therefore awarded the same grants as in the previous year and I am not able to refer to any examination report.

Imports and Exports.

The most noticeable difference in the subjoined comparative returns of Import Duties is the decline in the importation of guns and powder owing to the efforts made to carry out the obligations of the Brussels Conference Act.

Prior to 1892 the average quantity of gunpowder imported was between 800 and 900 barrels annually. Last year less than 200 barrels were consumed in the Colony, but 324 barrels were transhipped for ports in Senegal. The import duty on guns and pistols fell from 695*l.* in 1892 to 52*l.* in 1893, which is, I think, a significant fact that the Brussels Act is not treated as a dead letter in this Colony.

There was a large decrease in the duty on Kola nuts, I believe attributable to some scarceness of the article and rise in price in Sierra Leone owing to the ravages of the locusts. These insects also visited the Gambia and destroyed large quantities of rice and corn here, which accounts for the increase of the amount of import duty collected on rice and food supplies.

The ground nuts exported produced 1,071*l.* more than was estimated and the crop was one of the largest on record.

The total value of the imports amounted to 166,509*l.*, which includes 20,393*l.* in specie, but 6,676*l.* in specie was exported, and the total value of the exports was 239,720*l.*

The comparative tables show the variations in the quantities and value of the principal articles imported and exported during the years 1892 and 1893.

Imports.

Heads of Receipts.	Amount, 1892.	Amount, 1893.	Increase.	Decrease.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Ad valorem duty	3,184 11 8	3,444 9 9	259 18 1	—
Import duty on wine	916 19 2	923 18 3	6 19 1	—
Spirits	2,891 3 8	3,402 6 4	511 2 8	—
Malt liquor	312 0 0	244 19 10	—	67 0 2
Tobacco	4,027 8 5	3,858 3 11	—	169 4 6
Oil, turps, &c.	549 12 7	658 6 4	108 13 9	—
Sugar	905 15 10	1,180 6 5	274 10 7	—
Kola nuts	4,338 8 5	3,576 9 5	—	761 19 0
Rice	675 17 3	1,012 6 10	336 9 7	—
Guns and Pistols	695 4 0	52 0 0	—	643 4 0
Powder	120 8 6	98 9 9	—	21 18 9
Salt	347 13 10	293 11 9	—	54 2 1
Kerosine oil	124 14 8	130 9 11	5 15 3	—

Exports.

Articles.	1892.	1893.	Increase.	Decrease.
Ground nuts	21,282 tons. Value, 150,207*l.*	25,218 tons. Value, 172,765*l.*	3,936 tons 22,550*l.*	—
Hides	18,158 lbs. Value 1,721*l.*	18,298 lbs. Value 1,515*l.*	140*l.* —	206*l.*
Rubber	51,614 lbs. Value, 2,920*l.*	45,298 lbs. Value 2,619*l.*	— —	6,316 lbs. 301*l.*
Palm kernels	1,390 cwts. Value, 1,176*l.*	4,868 cwts. Value 1,722*l.*	3,478 cwts. 546*l.*	—
Wax	73,580 lbs. Value, 2,267*l.*	57,452 lbs. Value 2,142*l.*	— —	16,128 lbs. 125*l.*
Specie	8,885*l.*	6,676*l.*	—	2,189*l.*

A cargo of mahogany, cut about 25 miles up the river, was sent to England in November, but I am informed that, although the logs were large and good, the price realized was not encouraging.

Shipping.

There was only one large English sailing vessel in the Colony during the year, but 104 steamers entered and cleared, of which 67 were English, 32 French, 4 German and 1 Dutch.

Prison.

The number of prisoners was considerably below the average of the past years, and at present the separate cells, numbering 19, are sufficient to provide separate accommodation for the average number of prisoners.

The prison in general meets the requirements of the Colony and on the whole it is well conducted for a small prison in a small Colony.

The comparative table given below supplies further details :—

Year.	Total Number of Prisoners committed.	For Debt.	For safe Custody or want of Bail.	Penal Punishment.	Daily Average in Prison.	Number of Admissions to Hospital.	Daily Average on Sick List.	Number of Deaths.
1891 - -	111	—	24	87	37	24	2	—
1892 - -	140	3	30	107	26	77	2	2
1893 - -	85	1	12	72	20	55	2	4

Criminal Statistics.

The number of convictions in 1893 was 154, a decrease of 47 on the previous year, and in examining the details of these convictions it appears that drunkenness decreased last year, and that the other offences were all of the ordinary type.

Three cases of slave-dealing were tried but all failed in getting convictions. Offences against the Public Health Ordinance, and for committing nuisance in the town of Bathurst, show increased vigilance on the part of the Inspector of Nuisances and Police in Bathurst, which cannot have failed to do good.

Hospitals.

The daily average number of patients in the Hospital was within a fraction the same as last year, viz., eight males and four females.

The number of cases treated was 267 against 354 in the previous year, and the deaths were 20 in 1893 and 27 in 1892.

There were fewer cases of malarial fever and no deaths, and on the whole I should say the year was a healthier one.

The Hospital is in good order in every way and is about to be improved by the erection of a building as a store with cells for the temporary confinement of lunatics pending their removal to Sierra Leone.

Meteorological.

The meteorological and weather conditions in general were phenomenal during the year 1893.

A total eclipse of the sun, visible in the Gambia for nearly three minutes, occurred on the 16th of April. Heavier rains fell earlier in May than usual, and the rainfall of the whole season was 52 per cent. more than the average of the last five years

A very heavy fall of ten inches on the 17th August flooded all the low lying parts of Bathurst, and phenomenal rains, especially in the upper river in December, damaged seriously the crops of ground nuts which had just been pulled.

The total rainfall at Bathurst was 77·89 and at McCarthy's Island 55·39 inches.

COMPARATIVE RAINFALL, COLONY OF THE GAMBIA.

	1889.	1890.	1891.	1892.	1893.
January	—	—	·01	—	·02
February	—	—	·16	—	—
March	—	—	—	—	—
April	—	—	—	·01	·40
May	—	·04	·53	1·38	2·16
June	1·16	2·40	4·67	3·05	3·29
July	3·23	16·42	7·42	14·89	20·57
August	5·57	19·90	18·84	22·65	30·57
September	10·65	16·58	19·81	4·76	13·00
October	1·45	4·97	1·97	4·39	7·33
November	—	—	—	—	·15
December	—	—	—	—	·40
	32·06	60·31	53·41	51·13	77·89

Average, 54·96.

W. T. PROUT,—Colonial Surgeon.

METEOROLOGICAL OBSERVATIONS, 1893.

1893. Months.	Average for month at 7 a.m.			Maximum in shade at 3 p.m.			Minimum in shade at 7 a.m.			Rainfall in inches.		
	Dry Bulb.	Wet Bulb.	Dew point.	Highest.	Lowest.	Average.	Highest.	Lowest.	Average.	Total.	Maximum.	Date.
January	69°8	64°3	60°07	96°	75°	83°1	73°	61°	67°9	·02	·02	5-1-93
February	67°5	58°8	51°84	92°	75°	86°5	69°	63°	64°8	—	—	—
March	68°8	64°8	61°68	94°	75°	80°8	69°	61°	65°8	—	—	—
April	69°7	65°6	62°4	88°	76°	76°2	70°5	63°	66°7	0·40	0·40	23-1-93
May	75°6	70°5	66°8	94°	77°5	84°4	75°5	68°	71°2	2·16	1·80	28-5-93
June	81°2	5°3	71°2	98°5	83°5	87°5	78°	71°	74°9	3·29	1·36	11-6-93
July	78°3	72°7	72°2	89°	79°	84°4	78°	72°	74°4	20·57	2·34	8-7-93
August	77°7	75°3	73°6	89°5	79°	84°4	77°5	70°	73°9	30·57	10·15	17-8-93
September	77°5	75°6	74°2	89°	78°	85°2	76°	72°	74°6	13·00	2·91	2-9-93
October	77°	75°4	74°28	88°5	80°5	84°9	79°	71°5	74°1	7·33	4·66	3-10-93
November	74°9	70°1	66°5	94°	83°5	87°5	77°	62°	72°3	·15	·15	1-11-93
December	67°7	61°6	56°72	92°	68°	83°1	69°5	58°	62°4	·40	·36	21-12-93

Total rainfall for 1893—77·89 inches.

W. T. PROUT, M.B.—Colonial Surgeon.

Savings Bank.

The number of accounts remaining open at the end of the year increased from 89 at the beginning of the year to 103 at the end, and the balance due to depositors rose from 989*l.* to 1,594*l.*, which is a substantial improvement. Twenty-seven Friendly Societies have over 600*l.* to the credit of sundry members, but very little of this is deposited in the savings bank, and I do not know if much of it is invested anywhere.

General Remarks.

The year 1893 was a prosperous one as far as the public revenues were concerned, but I fear many of the inhabitants in the Colony and Protectorate suffered considerably from the loss of their food crops owing to the continued presence, in different degrees, of locusts.

These insects first appeared in large quantities in the beginning of February and have hovered more or less in and about the Colony ever since. I am informed that locusts have never remained so long on any previous visitation, and if they continue to stop here some steps will have to be taken systematically to destroy them.

From June until the end of the year cholera was prevalent in Senegal, within 100 miles of Bathurst, but, most fortunately, the Colony escaped. The strict Quarantine Regulations imposed could not but fail to disturb trade, but I hope they helped to keep the Colony free of this scourge.

In December a phenomenal rain occurred which damaged the ground nuts that had been just gathered and were stacked in heaps in the fields without any covering.

It is somewhat remarkable that the loss of all the cattle by disease in 1892, the destruction of the food by locusts early in 1893, the phenomenal rain at the end of 1893, and the fear of an epidemic of cholera hanging over their heads for six months, does not seem to have disturbed the happiness of the people at all and they go on as placidly as if everything was proceeding most flourishingly and regularly.

I made a lengthy tour in the Protectorate in January and February and installed the newly appointed Travelling Commissioners in their offices.

Much valuable information has been gained about the geography of the country and the manners of the people by these officers, who live amongst them for eight months in the year, and I hope shortly to see, from the experience so gained, some system of jurisdiction established in the Protectorate which will be the first step towards the civilization of the country.

GAMBIA. 1893.

Peace amongst the natives existed everywhere on the banks of the River up as far as McCarthy's Island, beyond which the Commissioners have not travelled, and it is not proposed to attempt to press any active jurisdiction further until the country nearer the coast is thoroughly got under control.

16th April 1894. (Signed) R. B. LLEWELYN.

COLONIAL REPORTS.—ANNUAL.

No. 109.

GIBRALTAR.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 75.)

Presented to both Houses of Parliament by Command of Her Majesty.
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1894.

[C.—7319.–7.]

COLONIAL REPORTS.

The following, among other reports relating to Her Majesty's Colonial Possessions, have been issued, and may be obtained for a few pence from the sources indicated on the title page :—

ANNUAL.

No.	Colony.	Year.
75	Gibraltar	1892
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,
108	St. Vincent	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 109.

GIBRALTAR.

[For Report for 1892, *see* Colonial Report (Annual) No. 75.]

Sir ROBERT BIDDULPH to the MARQUESS OF RIPON.

(Extract.) Gibraltar, June 21, 1894

I HAVE the honour to transmit, herewith, the Blue Book for 1893, together with a report by the Colonial Secretary.

The shipping returns, which have since 1890 shown great depression, indicate a slight revival in the past year.

The chief cause of this revival is that a very large trade has sprung up of late years between Italy and the United States, and many of the vessels employed in it find it convenient to call at Gibraltar. In November 1891 the North German Lloyd's began to run passenger steamers regularly between New York and Genoa, and in December 1892 the Hamburg American Company followed their example. The latter Company have also cargo boats which run between Naples and New York.

These steamers bring a great number of passengers who land at Gibraltar, and, after staying two or three days, proceed on a tour through Europe, great facilities being now afforded for this by the railway which gives direct communication from Algeciras to all parts of Spain. Several new hotels have consequently been opened, and the passage of so many tourists has caused much money to circulate in the town.

There are some details worth noting in connection with the shipping trade. The years 1887, 1888, and 1889 showed a very great increase in the number of vessels using this port. After 1889, there was a yearly falling off which touched a very low point in 1892, in which year the total tonnage entered and cleared was very little more than it was in 1886, whilst that of British ships fell below the British tonnage of 1886.

GIBRALTAR. 1893.

The annual reports for the last three years have attributed this falling off to the competition of other ports, notably Malta and Algiers, but I fear that we cannot comfort ourselves with the idea that anything lost by Gibraltar has been gained by another British port, because the tonnage entered and cleared at Malta has not shown any increase of late years, but, on the contrary, a depression no less significant than that of Gibraltar, whose shipping returns for each year since 1887 have shown a higher figure than those of Malta, although in former years it had been less.

There can be little doubt that the missing ships have gone to Algiers, and the following table showing the amounts of coal exported from Great Britain to Gibraltar and Algiers respectively during the last few years, appears to support this contention:—

—	1889.	1890.	1891.	1892.	1893.
Gibraltar (tons) -	551,019	501,012	409,174	312,608	312,866
Algiers (tons) -	77,730	82,567	92,248	145,144	186,131

Also a recent report from the British Consul-General at Algiers states that while in 1886 the number of British ships that called for coal was only 85, there were 263 in 1890, and 1,118 in 1893; and he adds that the number is increasing every day.

This transfer of the shipping trade from Gibraltar to Algiers is said to be due to two causes:—

(1.) To the geographical position of Algiers, which divides the distance better between Port Said and the United Kingdom;

(2.) To the fact that the charge for freight is the same, whilst the charges for insurance, demurrage, and coal are less at Algiers than at Gibraltar.

The first-named cause is beyond our power to remedy, but the second may be remedied by offering facilities for ships calling at Gibraltar, facilities which are demanded in the interests of our Country, and without which Gibraltar threatens to become of yearly diminishing value to Great Britain.

The vast importance of Gibraltar to the shipping trade of the United Kingdom is perhaps hardly known sufficiently, but it may be judged to some extent by the amount of tonnage entered and cleared. In 1889, when the tonnage reached its highest mark, it exhibited a larger figure than that of any British Colony during that year. In 1892, when it had diminished by

nearly one-third, it was only surpassed by Hong Kong, Canada, and Singapore.

From these facts it is possible to judge how important it is to British shipping that Gibraltar should be an efficient coaling station; and the more so when it is remembered that the trade of the port itself is insignificant. The large figures mentioned above, indicate the number of vessels which call either for coal or orders, or with passengers, and attest the value of the geographical position of Gibraltar. It is this remarkable geographical position alone which has given it its great value in spite of the somewhat meagre facilities it affords in comparison with other ports.

A matter of perhaps minor importance to the public of the United Kingdom, but nevertheless of considerable weight to those who have to administer this Government, lies in the fact that about one-fourth of the revenue is derived from port and harbour dues.

The revenue of Gibraltar does, in fact, rise and fall with the amount of shipping that calls here. In the year 1889, when Gibraltar occupied so prominent a position in the shipping returns of our Colonial Empire, the revenue of Gibraltar touched its highest point. As the shipping returns fell in succeeding years, so did the revenue with the regularity of a barometer, and the small revival of 1893 has been accompanied by a corresponding rise in the revenue.

A more serious matter, however, and one which gravely threatens our revenue, is the continual and increasing depreciation of the currency. This depreciation acts adversely with regard to all property and sensibly affects the public exchequer.

The value of the currency, measured by a gold standard, has been diminishing since 1888, in which year there was a premium of 5*d.* on the sovereign, the par value of which, in gold, is 25·22 pesetas. In 1891 the exchange value of a sovereign rose to 29 pesetas, and in 1892 to over 30, whilst in 1893 it touched 31·37. In other words, the premium on the sovereign, which was 5*d.* in 1888, was nearly 5*s.* in 1893.

REPORT on the BLUE BOOK for the Year 1893.

FINANCE.

Revenue.

The public revenue for the year amounted to Ptas. 1,522,980, an increase of Ptas. 104,595 over that for 1892; but, in the total revenue for 1893 is included a sum of Ptas. 122,834, profits of the Savings Bank for the years 1889 to 1892, brought to account in 1893.

The principal items of increase were :—

	Ptas.
Port Dues - - - - -	14,934
Licences - - - - -	2,820
Post Office Receipts - -	4,869
Rents - - - - -	8,697
Special Receipts - - - -	99,146
	Ptas. 130,466

and the decreases were as follows :—

Customs - - - - -	7,172
Fees, &c. - - - - -	1,807
Interest - - - - -	10,284
Miscellaneous - - - -	6,608
	Ptas. 25,871

The decrease in interest was due to the sale of investments, the amount so realized being reinvested in local property, and the decrease of interest is thus partly balanced by the increase in rents.

Expenditure.

The gross expenditure for 1893 amounted to Ptas. 1,460,148, showing a decrease of Ptas. 344,459 over 1892. In the expenditure of the latter year, however, is included Ptas. 230,800, the purchase money of the New Mole Parade property, and, therefore, merely a change of investment. Taking out this special charge, the net decrease for 1893 would be Ptas. 113,639, obtained chiefly from the following heads :—

	Ptas.
1. Salary of Governor - - -	16,985
2. Port Department - - -	11,598
3. Post Office - - - -	10,450
4. Public Works Extraordinary - -	71,055

the saving in the first item being due to lapse of a portion of the Governor's salary between the death of His Excellency General Sir Lothian Nicholson in June, and arrival of His Excellency General Sir R. Biddulph in October.

Assets and Liabilities.

The balance of Assets over Liabilities amounted in December 1893 to Ptas. 254,541, as compared with a balance in 1892 of Ptas. 202,057, a satisfactory improvement in the financial position of the Colony, due to close economy in all the departments, and the curtailment of all but unavoidable expenditure.

Shipping.

Vessels entered and cleared.

—	Vessels.		Tonnage.		Crews.	
	1892.	1893.	1892.	1893.	1892.	1893.
British steam ships	6,033	6,167	6,731,068	7,058,687	200,660	198,255
„ sailing ships	374	400	36,897	30,780	2,107	2,223
Total British -	6,407	6,567	6,767,965	7,089,467	202,767	200,478
Foreign steamships	2,397	2,642	1,902,330	2,077,109	74,019	83,637
„ sailing ships	1,007	1,046	82,880	81,443	6,634	6,468
Total Foreign -	3,404	3,688	1,985,210	2,158,552	80,653	90,105
Total Vessels -	9,811	10,255	8,753,175	9,248,019	283,420	290,583
Increase in 1893 -	444		494,944		7,163	

These figures show a small increase on those of 1892, due partly to some slight improvement in the shipping trade generally, but chiefly to the increased number of steamers calling here on the voyage to and from New York.

Exchange.

The highest rate of exchange in 1893 was Ptas. 31·37 to the pound sterling, and the lowest Ptas. 29·00, the quarterly Government rates being as follows :—

	Ptas.
March quarter - - - -	29·13
June quarter - - - -	29·59
September quarter - - - -	29·20
December quarter - - - -	30·53

This continued and increasing depreciation of the currency is sorely felt in a place which produces nothing, but where supplies of every description, except fresh provisions, have to be imported from England, and paid for in sterling. Even the cost of the local supplies is increased, as the advanced price of all imported goods forces the suppliers of fresh provisions to raise their prices, so as to obtain a somewhat less unequal value for their wares. Unfortunately, the financial state of the country whose currency has been made the legal tender here leaves little hope of improvement in a condition of affairs over which the Colony has no control whatever.

Laws.

One Order in Council and four Ordinances were put in force during the year, viz.:—

An Order in Council applying the provisions of the "Colonial Probates Act, 1890," to Gibraltar.

An Ordinance to amend the "Sanitary Order Amendment Order, Gibraltar, 1891."

An Ordinance to amend the "Ordinance to make certain Offences punishable on Summary Conviction, Gibraltar, 1885."

An Ordinance to amend the "Unrepresented Estates Ordinance, Gibraltar, 1889."

An Ordinance to legalise the registration in the Supreme Court of Gibraltar, of a certain Deed of Conveyance dated 14th February, 1889.

Establishment.

General Sir L. Nicholson, R.E., K.C.B., died on the 27th June, and General Sir Robert Biddulph, R.A., G.C.M.G., C.B., was appointed Governor in August, but did not take up the appointment until the 10th of October, and during the interval the Government was administered by Major-General G. J. Smart, R.A.

Population.

The total estimated population was as follows:—

City and Territory	Civil	19,100
	Military	5,896
Port and Harbour		759
Total		25,755

Divided as under:—

	Males.	Females.
Civil	9,362	10,497
Military	5,226	670

The general death-rate, as calculated by the health officer, for the civil population only, was 17·74 per 1,000, the lowest on record since death registration was made compulsory in 1869.

The excess of births over deaths among the civil population was 139, but this does not show the actual increase in the population, which is probably about stationary, as there is much emigration and but little immigration.

The military are not included in these computations, as their exceptional conditions tend to greatly lower the death-rate, which in 1893 was 6·88 per 1,000 of military only.

Education.

The only schools of which any returns are furnished to the Government are those receiving State aid, and the returns are, therefore, not of much value for general educational statistics, as there are large private schools attended by some hundreds of pupils.

The State-aided schools are the following :—

School.	Number of Children on Roll.	Grant in aid.
		Ptas.
Roman Catholic Poor School	1,217	23,906
Wesleyan Day School	188	1,872
Wesleyan Night School	78	515
Public School	244	4,123
Infant and Industrial School	313	3,602
Hebrew Poor School	105	830

Criminal Statistics.

The number of summary convictions before the Police Magistrate in 1893 was 735, or 67 more than in 1892. In addition, there were 367 persons brought before the Magistrate and discharged with a caution. 116 persons were discharged for want of prosecution, or 44 more than in 1892, and 77 cases were dismissed on the merits, or one less than in 1892. The majority of these cases were for minor offences.

Only 16 persons were committed for trial in the Supreme Court, including one case for murder, transferred from the Consular Court of Morocco, in which, however, the Bill was thrown out by the Grand Jury.

Meteorological.

Longitude of station, 5° 20′ 53″ W.
Latitude of station, 36° 6′ 20″ N.
Height above mean sea level, 50 feet.
Mean pressure, 30·007.
Mean air temperature, 66·2°.

Mean maximum, 71·7°.
Mean minimum, 59·9°.
Absolute maximum, 90° on 15th August.
Absolute minimum, 41° on 16th January.
Total rainfall, 26·26 inches.

The year was an exceptionally dry one

General.

The gaol, asylum, and hospital returns call for no special remarks, as all these institutions were well and economically administered. A high standard of efficiency was maintained in the hospital, and the confidence felt in the treatment there was evidenced by the increasing number of out-patients who availed themselves of it, among whom are numbered many Spanish subjects from Linea and the surrounding country, who take the journey into Gibraltar to seek relief, in preference to availing themselves of the local hospitals.

No public works of any importance were carried out during the year, the recurrent and extraordinary repairs being effected at a cost of Ptas. 52,752 and Ptas. 43,142, respectively.

The Board of Sanitary Commissioners was reconstituted in March under the Sanitary Amendment Ordinance, 1893, and in November two of the Commissioners were deputed to represent the Board on the Inter-Departmental Committee appointed in London to consider the best method of drainage for Gibraltar. The Committee recommended a Southern Outfall at Europa Point, which will, it is hoped, still further improve the sanitary condition of Gibraltar, which the efforts of the Board have already done so much to advance in recent years.

(Signed) H. M. JACKSON,
Colonial Secretary.

No. 107.

HONG KONG.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 85.)

Presented to both Houses of Parliament by Command of Her Majesty.
26 *June* 1894.

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1894.

[C.—7319.–5.]

COLONIAL REPORTS.

The following among other Reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page:—

ANNUAL.

No.	Colony.	Year.
71	Bermuda	1892
72	Fiji	1891
73	British Honduras	,,
74	Turks and Caicos Islands	1892
75	Gibraltar	,,
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 107.

HONG KONG.

[For Report for 1892 *see* Colonial Report (Annual) No. 85.]

Acting GOVERNOR O'BRIEN to the MARQUESS OF RIPON.

Government House, Hong Kong,
MY LORD MARQUESS, April 24, 1894.

I HAVE the honour to transmit, for your Lordship's information, the Blue Book for 1893, with the following remarks thereon:—

Revenue.

The revenue for the year amounted to $2,078,135.26, a decrease of $158,798.11 as compared with 1892, which may generally be accounted for as follows:—

Assessed Taxes.—Decrease $63,928.72. Of this, $50,000 is explained by the exceptional activity displayed by the Treasury in the collection of arrears in 1892.

Opium Monopoly.—Decrease $67,100. The Farm, which had been let from March 1889 to March 1892, brought in in January and February 1892 $35,800 per mensem, while the new Farm let from the 1st March, 1892, only yields $28,400 per mensem. Again, $50,000 of the receipts in 1892 really represented revenue of 1891, the farmer having been allowed to hold over payment of that sum.

Stamps.—Decrease $9,366.64 is owing to the decrease in share transactions, mortgages, &c., and to the fact that postage stamps are now more largely used than previously for certain revenue purposes.

Other Miscellaneous Receipts.—Decrease $23,112.63. In 1892 the sale of the Lazaretto on Stonecutters' Island to the Military Authorities brought in a sum of $20,000 under this head.

Hong Kong. 1893.

The decrease of $58,857.76 under Land Sales is owing to the fact that one exceptionally large sale took place in 1892, while the decrease of $7,956.94 under Water Account is due to the same reason as that under Assessed Taxes.

Against these decreases there are to be set off various increases, of which the more important are:—Postage $9,897.74, and leased lands $20,982.66. The increase in the latter case is largely due to the cessation of the systematic defalcations by Alves, late clerk in the Treasury.

An increased number of subsidiary coins were disposed of, giving an increase of revenue under this sub-head of over $10,000, an exceptionally large amount having been got rid of towards the close of the year.

Expenditure.

The expenditure of the year, including that on Public Works Extraordinary, amounted to $2,258,839.52, a decrease of $83,997.74 as compared with the previous year; of the former sum $338,315.96 was charged to the new loan in respect of the works for which it was raised. The causes of the decrease are generally as follows:—

In December 1892 salaries and other charges, properly payable from the votes for the year, but in former years paid out of the votes for the following year, were disbursed, involving an extra expenditure of $78,190, and the total amount spent on Public Works Extraordinary in 1893 was only $355,144·95 as compared with $460,362.77 in 1892.

Against these decreases there are to be set off increases under the heads "Pensions, Loan, and Military Contribution" in consequence of the fall in the rate of exchange and, in the case of the loan charges, in consequence also of a new loan having been raised last year.

The increase and decrease under Public Works Recurrent and Miscellaneous Services, respectively, are due to the transference of certain items from the latter head to the former.

Assets and Liabilities.

The balance of assets over liabilities on the 31st December amounted to $1,489,023.54, including the unspent balance of the last loan.

Public Debt.

The debt has been increased from £200,000 to £400,000 by the raising of a further loan of £200,000 under Ordinance 2 of 1893, for the carrying out of the Extraordinary Public Works mentioned in the schedule thereto.

The Sinking Fund of the original loan has increased during the year from £42,758 to£51,768. Contributions to the Sinking Fund of the new debt do not commence till April 1896.

Legislation.

The following Ordinances were passed during the year:—

No. 1.—An Ordinance to declare the terms and conditions applicable to loans authorised to be raised by the Government of Hong Kong and to provide for the creation of Inscribed Stock.

No. 2.—An Ordinance for raising the sum of £200,000 by loan for the purpose of defraying the cost of certain Public Works.

No. 3.—An Ordinance to amend "The Marriage Ordinance, 1875."

No. 4.—An Ordinance to amend "The Medical Registration Ordinance 1884."

No. 5.—An Ordinance to amend "The Hong Kong Code of Civil Procedure."

No. 6.—An Ordinance to provide for the establishment of a volunteer force and to empower the Governor to raise a special force of Coast Defence Volunteers in the event of anticipated war.

No. 7.—An Ordinance to provide means for ascertaining the amounts to be paid by way of compensation in respect of the wharves and piers along the line of the Praya Reclamation, to fix the periods for the payment thereof and for other purposes in connexion therewith.

No. 8.—An Ordinance for the Naturalization of Meyer Fredericks.

No. 9.—An Ordinance to make provision for regulating the keeping of dogs and for the prevention of the importation and spread of rabies.

No. 10.—An Ordinance for the establishment and incorporation of the Chinese Society for the prevention of kidnapping and for the protection of women and children commonly known as "The Pô Léung Kuk."

No. 11.—An Ordinance for the Incorporation of the trustees of the Hong Kong and South China Masonic Benevolence Fund.

No. 12.—An Ordinance concerning statutory declarations.

No. 13.—An Ordinance for the suppression of the pernicious practice of injecting preparations of morphine by unqualified persons.

HONG KONG. 1893.

No. 14.—An Ordinance to apply a sum not exceeding two millions three hundred and forty-seven thousand, four hundred and eighty-one dollars to the public srevice of the year 1894.

No. 15.—An Ordinance to authorise the appropriation of a supplementary sum of two hundred and thirty-five thousand one hundred and eleven dollars and ninety-three cents to defray the charges of the year 1892.

No. 1 was passed for the purpose of enabling the Colony to raise any future loans that might be thought desirable, by Inscribed Stock, and to convert into such stock the existing loan which was raised by debentures.

No. 6 puts the Volunteer establishment on a more satisfactory footing, and enables the Government to raise a special force in the event of anticipated war.

No. 9 provides for the registration of dogs and dealing with them in cases of rabies.

No. 10 was passed to give a better status to the Pô Léung Kuk, a Chinese Society, which is of the greatest assistance to the Registrar General in dealing with cases arising under the Women and Girls' Protection Ordinance of 1890.

Councils.

Mr. A. M. Thomson was appointed on the 9th June and Mr. E. Bowdler on the 9th November to seats on both Councils during the absence from the Colony of Mr. Lockhart, Registrar General, and Mr. Cooper, Director of Public Works, respectively.

Establishments.

Mr. F. H. May was appointed to be Captain Superintendent of Police in room of Major-General Gordon, deceased.

Pensions.

The amount paid in respect of pensions was $86,706.79 as compared with $67,086.54 in 1892.

The list was reduced during the latter half of the year by the death of Sir James Russell, whose pension amounted to $6,000 per annum, and increased by pensions granted as follows :—

	$
J. A. Carvalho - - - -	2,368.00
J. M. A. Silva - - - -	2,528.00
M. Gutierrez - - - -	1,251.20
Sir Cecil C. Smith - - - -	1,916.66

together with some smaller amounts granted to others, including police officers.

The increase in the total is also due in a great extent to the fall in exchange.

Population.

The births registered during the year numbered 1,801, and the deaths 5,422, being at the rate of 7·54 and 22·71 per 1,000 respectively. The acting Registrar General estimated the population at the end of the year at 238,724. Of these the British and foreign community number 10,686, while the Chinese amount to 228,038.

There were 84 marriages in 1893, excluding marriages according to Chinese customs.

Education.

The number of Government schools decreased from 35 to 24, while the number of schools aided by Government grants increased from 87 to 93.

The policy of the Government is to encourage the extension of the establishment of grant-in-aid schools, to take the place of such of the Government schools as are unable to command more than a week average attendance of scholars, as it is found that more satisfactory results are obtainable in the former than in the latter class of schools.

There were 2,356 scholars on the roll of Government schools and 6,250 on that of the grant-in-aid schools.

The total number of scholars, 8,606, is an increase of 329 scholars over the number for 1892.

The new Central School for Girls, built at the expense of the Honourable E. R. Belilios, C.M.G., was completed and handed over to Government in December last year. The number of girls on the roll was only 128, as compared with 139 in the preceding year; but since the opening of the new building the provision of larger accommodation has already resulted in a material increase to the number of scholars.

Besides the schools above referred to, there are over 100 in existence which are not under the supervision of the Education Department. The total cost of education for the year amounted to $78,213.59, of which Victoria (now Queen's) College is responsible for $34,426.42, with an average attendance of 683, being at the rate, after deduction of fees recovered, of about $32,30 per head.

Efforts are still being maintained to increase the attendance at the various schools, and the physical training of the scholars at certain of the town schools is being atteeded to with success.

Shipping

In 1893 the total number of vessels arrived at ports in the Colony was 32,983, with a tonnage of 7,177,025 tons, of which 4,278 were steamers, 93 sailing vessels, and 28,612 Chinese junks.

The total tonnage entered and cleared amounted to 14,349,122, an increase of 196,273 over the figures for 1892.

Of the vessels of European construction or design that entered and cleared last year 6,128, with a tonnage of 7,732,195 were British, while the corresponding figures for Foreign shipping were 2,630 and 2,803,664.

British shipping thus represents over 69 per cent. of the number, and over 73 per cent of the tonnage, of all vessels of European construction

The Foreign Junk trade shows an increase of 295,931 tons, while the local Junk trade decreased by 341,365 tons, due to the temporary cessation of work on the Praya Reclamation.

The total number of Junks entered and cleared was 57,083, with a tonnage of 3,813,263 tons.

Emigration greatly revived during the year, the number of emigrants being 82,336, an increase of 30,193 over 1892. During the same period 108,644 Chinese passengers returned from various places to which they had emigrated.

An idea of the importance of Hong Kong as a trading centre may be gathered from the fact that the total arrivals of passengers during 1893 amounted to no less than 1,152,810, while during the same time the departures, including emigrants, were 1,130,744.

An attempt was made by the Harbour Master to obtain statistics of the trade of the Colony, but as there are no customs duties the figures are probably a good deal below the mark.

The ascertained amount of cargo carried by the 65,841 vessels entered and cleared was as follows:—

Discharged	3,343,602 tons.
Shipped	2,472,549 ,,
In transit	1,335,264 ,,

Gaols, &c.

The returns from the gaol show a further satisfactory decrease in the number of prisoners.

The number of committals in the last two years respectively was as follows:—

	1893.	1892.
For debt	50	45
For safe custody or want of security	234	302
For penal offences	3,726	4,699
Total	4,010	5,046

Of the above total for 1893 there were 3,777 men, 138 women, and 95 juveniles under 16 years of age, and the number of penal offenders may be further classified as follows:—

First conviction	2,970
Second „	378
Third „	160
Fourth (or more) conviction	218
Total	3,726

The cost of the gaol amounted to $54,748.84, and the average daily number of prisoners confined during the year was 458.

After deducting from the cost mentioned the profit on earnings by industrial labour, which amounted to $2,726.76, it appears that the average cost of each prisoner was slightly over 31 cents per diem, as compared with 28 cents in 1892.

The extension to the gaol, which is intended to facilitate the introduction of the system of separate confinement, was commenced towards the end of the year.

Of serious crimes committed in the Colony there were three cases of murder, in one of which the culprit was executed; in the second case the murderer escaped to China; and in the third one of the men engaged was sentenced to 18 years' imprisonment for manslaughter. There were also 19 cases of robbery with violence, but the statistics on the whole show a decrease of over 8 per cent. in serious crimes reported to the police.

Hospitals.

During the year 1,999 cases were treated in the Civil Hospital Lunatic Asylums, and Women's Hospital, &c. Of these, 1,835 were treated in the Civil Hospital, of whom 67 died, amounting to 3·7 per cent. In the Lunatic Asylums 40 cases were treated, of which 5 died, and 19 were cured or relieved, and in the Women's Hospital there were 63 cases, of whom none died and 60 were cured.

In the Small-pox Hospitals 61 cases resulted in the death of 8 and the cure of 49 persons during the year.

Public Works.

No extraordinary Public Work was completed in 1893, but considerable progress was made with the New Central Market, Slaughter House, Sheep and Pig Depôts, Sewerage of Victoria, and the Water Supply in Kowloon.

As regards the Praya Reclamation, in the early part of the year a proposal was made by certain of the marine lot holders that the undertaking in regard to sections on which work had not been commenced should be temporarily postponed. It was ultimately

decided to carry on the work, but the delay pending decision on the proposal prejudicially affected the amount of work executed.

The total sum spent on Public Works Extraordinary during 1893 amounted to $355,144.95, of which $338,315.96 has been charged against the new loan.

Afforestation.

This work is progressing as usual, 287,905 trees having been planted during the year.

There were unfortunately no fewer than 21 grass fires, destroying 4,000 trees, and, besides, the appearance of a caterpillar scourge was destructive to several thousands more.

The sum realised by sale of trees and plants, etc. from the gardens amounted to $1,310.

General Remarks.

The condition of the Colony is prosperous taken as a whole, but the heavy fall in exchange has seriously affected the public expenditure. The issue of the new loan gave considerable relief, enabling the more important public works to be proceeded with; but as a large proportion of the charges on the Colony have to be met by gold payments, it may prove necessary, in view of the enormous depreciation of silver, to devise methods of raising additional revenue.

The Government has been fully alive to the need of retrenchment as far as possible, consistently with the efficiency of the public service, and a Commission has been appointed to enquire into and report on the expenditure of the Colony with a view to the recommendation of such reduction as may be found feasible.

I have, &c.

(Signed) G. T. M. O'BRIEN,
Officer Administering the Government.

COLONIAL REPORTS.—ANNUAL.

No. 103.

JAMAICA.

ANNUAL REPORT FOR 1892-3.

(For Report for 1891–92 *see* Colonial Report [Annual] No. 65.)

Presented to both Houses of Parliament by Command of Her Majesty.
March 1894.

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COLONIAL REPORTS.

The following, among other, Reports relating to Her Majesty's Colonial Possessions have been issued and may be obtained for a few pence from the sources indicated on the title-page :—

ANNUAL.

No.	Colony.	Year.
65	Jamaica	1891–92
66	Trinidad and Tobago	1891
67	Newfoundland	,,
68	British New Guinea	1891–92
69	Victoria	1891
70	Rodrigues	,,
71	Bermuda	1892
72	Fiji	1891
73	British Honduras	,,
74	Turks and Caicos Islands	1892
75	Gibraltar	,,
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
86	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology.

No. 103.

JAMAICA.

(For Report for 1891-92 *see* Colonial Report [Annual] No. 65.)

Sir H. A. BLAKE to the MARQUESS OF RIPON.

King's House, Jamaica,
December 23, 1893.

MY LORD,

I HAVE the honour to forward to your Lordship the accompanying Report on the Blue Book of this Colony for the year which ended on the 31st March last.

I have, &c.
(Signed) HENRY A. BLAKE,
Governor.

REPORT ON THE JAMAICA BLUE BOOK FOR 1892-93.

Legislation.

During the Session of 1893 the Legislative Council passed 40 laws, of which the following are the most important:—

Law 2 of 1893—"A Law to amend a Law entitled a Law to provide a sound and uniform system for the giving of security by Officers of the Crown." Law 45 of 1872 provided that every person in the employment of the Government who was required to give pecuniary security might do so by personal bond, and the guarantee of any public company or association accustomed, as part of their regular business, to guarantee the fidelity of any person, which company or association was generally approved by the Lords Commissioners of Her Majesty's Treasury. That provision, however, became inoperative by reason of the Lords Commissioners of Her Majesty's Treasury refusing to continue the practice of approving any company or association for the purpose, and it became necessary to enact this law, under which certain societies may be approved of by the Governor in Privy Council.

JAMAICA. 1892-3.

Law 3 of 1893—"A Law to empower inspectors of the poor to oppose the making of certain Orders charging Parochial Funds." The office of inspector of the poor in a parish was created by Law 6 of 1886. It is the duty of this officer, under the parochial board, and subject to the control of the board of supervision, to protect the paupers on the one hand, and the parochial board on the other. In the matter of sending waifs and strays to the industrial school, or lunatics found at large and in destitute circumstances to the asylum, the parochial board, though chargeable with the maintenance of the children or the lunatics, had no locus standi before the magistrate or any means of protecting the funds of which they are the legal custodians and administrators. This law entitles the inspector of the poor of any parish to have notice given to him that a case is coming on, the possible result of which may be to impose a serious charge on the pauper fund of the parish, and to accord to him a locus standi to appear in protection of that fund.

Law 4 of 1893—"The Attorneys Admission Law, 1869 Amendment Law 1893." Under this law no solicitor of less than seven years' standing is permitted to take articled clerks.

Law 5 of 1893—"The Sureties of the Peace Law, 1893,"—was introduced by a private member, and is taken from the Summary Jurisdiction Act, 1879 (42 & 43 Vict. c. 49).

Law 6 of 1893—"A law to authorize a Loan for the construction of certain Public Buildings."—This law provides for the erection of new prisons at Port Antonio and Montego Bay, for a new lunatic asylum, and for the enlargemeut of the Kingston Public Hospital at a cost of 100,000*l.*

Law 7 of 1893—"A Law to amend a Law entitled, a Law for regulating Hawking and Peddling." Law 41 of 1867 made the municipal (now the parochial) boards the licensing authority and the license extended solely within the limits of the parish in which it was issued. The present law empowers the collector of taxes, or the assistant collector, to issue licenses on production of a certificate, signed by the inspector of police, to the effect that the applicant is a proper person to be licensed. It also enables the hawker to carry on his business beyond the limits of the parish in which it is granted.

Law 10 of 1893—"The Telephone Law 1893"—which gives facilities for the establishment of telephonic communication in various districts of the Islands, under licenses to be granted by the Governor in Privy Council, with proper restrictions to provide for the safety of the public. Provision is also made for the supply of telephonic facilities by the Postmaster for Jamaica on arrangements for payment.

Law 11 of 1893 provides for the payment of taxes in half-yearly moieties, thus affording great convenience and relief to the poorer classes of taxpayers.

Law 12 of 1893 has for its object the more speedy acquisition of lands for the railway track.

Law 13 of 1893 exempts certain articles imported for Foreign Consulates from payment of Customs Duty, provided that the similar concession is allowed to British Consulates in that country.

Law 14 of 1893 repeals the Mountain and River Reserves Laws of 1889 and 1892, which it was found would entail very great expense if strictly carried out, from which not much may be derived.

Law 20 of 1893 empowers the Governor to raise a special force of coast defence volunteers for service in connection with submarine mines or the management of steamers, &c., which may be required for the purpose of the defence of the Island.

Law 23 of 1893—"The Hotels Law, 1893." This Law empowers the Governor to enter into a contract with Mr. A. W. Farquharson to carry into effect a scheme for the purpose of acquiring, on behalf of a company, the interest of the Government and of the American Hotels Company and the Kingston Hotels Company in the Constant Spring Hotel and the Myrtle Bank Hotel. The issue by the latter Company of further debentures to the extent of 1,900*l.* to meet certain expenses of construction is also authorized.

Law 26 of 1893—"The Public Tanks Law, 1893," authorizes the construction of tanks in certain parishes of the Island, if the funds raised under Law 17 of 1890 for the re-construction of parochial roads are in excess of the amounts required for that purpose.

Law 30 of 1893 provides for payment of any expenses attendant on the holding of the Jamaica Exhibition which may not be recovered from the amounts paid by the guarantors.

Law 31 of 1893 enables the Mayor and Council of Kingston to take over, in certain cases, streets and roads which have been laid out and left for, and dedicated to, the use of the public, and to make and complete such streets and roads by means of advances from the Treasury, to be repaid by instalments from their regular road revenues.

Law 32 of 1893—"The Bills of Exchange Law, 1893," is an adaptation of the Bills of Exchange Act (45 & 46 Vict. c. 61).

Law 34 of 1893—"The School Tax Law, 1893" substitutes a rating which was considered more equitable than that imposed by the Law of 1892, especially in regard to the higher classes of houses.

Law 36 of 1893 provides for the establishment of certain public holidays in the Island. The operation of the law is limited to two years.

Law 37 of 1893—"The Cayman Islands Government Law, 1893." This law is the outcome of a visit paid by me to the

Cayman Island in 1892, and of a report made on the laws of those Islands by Mr. Brandford Griffith, Resident Magistrate, who accompanied me.

Since the passing of the Imperial Act relating to the Cayman Islands (26 & 27 Vict. c. 31), great slackness had prevailed in the conduct of legislation, and the justices and vestry passed laws and acts which were assented to by successive Governors, but which were in excess of the powers conferred by the Act. A most important law, 3 of 1889, for regulating the courts of the Islands was recently held void as *ultra vires* by the Supreme Court of Jamaica.

As the laws, though made without legal authority, appeared to be judicious and suitable to the circumstances of the Islands, it was thought best to enumerate them and to declare them valid.

The Governor is also authorized by this law to appoint a person qualified as a Resident Magistrate in Jamaica to be Judge of the Grand Court, to visit the Islands twice a year.

Law 38 of 1893 consolidates the several laws relating to quarantine with some minor additions which experience has shown to be desirable for the more efficient carrying out of quarantine arrangements.

Law 39 of 1893—"The Franchise Regulation Law, 1893." This law is a return to the provisions of Law 9 of 1886, and of Her Majesty's Order in Council.

The right of a person now on the register to have his name retained is saved; but for the future no fresh voter shall be able to vote unless he can, with his own hand, subscribe his name to a notice of claim to be registered, and write the date thereon. It was Law 22 of 1886 that first departed from the rule laid down in the Order in Council that at least this small modicum of education should be required.

Law 40 of 1893—"The Elections Law, 1884, Amendment Law, 1893." This Law was passed in pursuance of a Resolution of the Legislative Council to the effect that the facilities afforded to illiterate voters did away with the secrecy of the ballot, and reduced secret voting to a mere sham. It was considered by the Council that a man, even if unable to read and write, who could not master the simple rules laid down in the Elections Law for recording his vote was hardly fit to be entrusted with the franchise.

Finance.

The year commenced with a surplus of 194,733*l.*, and the revenue realized was 559,163*l.*, making together a sum of 753,896*l.* The expenditure, including 32,905*l.* for Sinking Funds, and 50,200*l.* for Redemption of Debt, amounted to 662,865*l.*, thus leaving at the close of the year a surplus of 91,031*l.*

The parochial revenues, which are devoted to parochial roads, poor relief, sanitary, and other local services, and are administered

by the several parochial boards, produced 123,610*l.*, a decrease of 514*l.* on the receipts in 1891–92, while the revenue specially appropriated for the reconstruction and maintenance of main roads under Law 17 of 1890 gave 30,986*l.*, or 1,027*l.* less than in 1891–92.

The revenue for immigration only realized 675*l.* against 31,838*l.* in 1891–92, there not being now any export duties. This sum represents the interest received on the balance at credit of the immigration fund. There were not any receipts from the proceeds of notes, as there was no immigration during the year.

The usual comparative table, showing the whole of the Treasury receipts in the year under report, and those of the previous year, is given below :—

Revenue.	1892–93.	1891–92.	Increase.	Decrease.
General Revenue.	£	£	£	£
Import duties	298,718	319,810	—	21,092
Export duties	—	654	—	654
Light dues	2,357	2,201	156	—
Harbour master's fees	2,582	2,467	115	—
Rum duties	120,003	123,418	—	3,415
Licenses	785	1,263	—	478
Stamps	20,814	19,317	1,497	—
Tax on stock	134	4,753	—	4,619
Education Tax	10,270	—	10,270	—
	—	—	12,038	30,258
Tax revenue	455,663	473,883	—	18,220
Postal revenue	19,095	18,278	817	—
Telegraph revenue	5,734	5,687	47	—
Court fees	8,547	8,442	105	—
Fines and forfeitures	4,359	4,614	—	255
Interest on securities, sinking fund	10,433	9,955	478	—
Interest from savings bank after paying depositors	4,362	3,935	427	—
Interest other than above	6,293	7,361	—	1,068
Interest, Jamaica railway bonds	4,557	23,545	—	18,988
Reimbursements for expenditure	30,508	24,468	6,040	—
Miscellaneous	9,612	10,442	—	830
	—	—	7,914	21,141
Non-tax revenue	103,500	116,727	—	13,227
Total general revenue	559,163	590,610	—	31,447

Revenue.	1892–93.	1891–92.	Increase.	Decrease.
Specially appropriated Revenue—Main Roads Law, 17 of 1890.	£	£	£	£
Land tax	340	296	44	—
Draft H. Stock tax	936	978	—	42
Holdings tax	14,076	14,045	31	—
Spirit licenses	15,634	16,694	—	1,060
	—	—	75	1,102
	30,986	32,013	—	1,027
Parochial Revenue.				
Parochial road revenues	48,520	44,845	3,675	—
Kingston street tax	4,346	7,4[illegible]	—	3,091
Parochial municipal revenues	11,650	11,068	582	—
Parochial general purposes	1,977	1,875	102	—
Poor rates	40,756	38,748	2,008	—
Sanitary rates	7,190	6,621	569	—
Fire rates	1,550	1,771	—	221
Gas rates	3,511	2,612	899	—
Miscellaneous	4,110	9,177	—	5,067
	—	—	7,835	8,379
	123,610	124,154	—	544
Immigration Revenue.				
Export duties	—	448	—	448
Proceeds, Planters' notes :—				
Law 7 of 1878	6	701	—	695
Law 14 of 1891	—	29,673	—	29,673
Miscellaneous	36	52	—	16
Interest	633	964	—	331
	—	—	—	31,163
	675	31,838	—	31,163
Totals.				
General revenue	559,163	590,610	—	31,447
Specially appropriated revenue	30,986	32,013	—	1,027
Parochial revenue	123,610	124,154	—	544
Immigration revenue	675	31,838	—	31,163
	—	—	—	64,181
Grand total	714,434	778,615	—	64,181

The yield of the general revenue shows a net decrease of 31,447*l.* This decrease is almost entirely accounted for by the falling off in import duties, the effect of the operation of the McKinley Tariff Law; a smaller yield under rum duties; the abolition of the tax on stock, and the small amount of interest on the Jamaica Railway Second Mortgage Bonds received during the year. A sum of 10,270*l.* was realized from the new tax in lieu of education fees imposed by Law 31 of 1892 "The Elementary Education Law."

The receipts from revenues specially appropriated show a small decrease of 544*l.* Parochial Road Taxes shows an increase of 3,675*l.* due to the expiry of the law under which the quit rent was reduced for one year as a means of refunding the payments made for the Cadastral Survey Tax, which was repealed. Poor Relief shows an increase of 2,008*l.* On the other hand, the suspension of the Kingston Streets Improvement Tax caused a falling off of 3,091*l.*, and Miscellaneous shows a decrease of 5,067*l.* the receipts in the previous year having been exceptionally large. The following is a similar comparative statement of the Treasury disbursements compared with 1891–92.

Expenditure.	1892–93.	1891–92.	Increase.	Decrease.
General Expenditure.	£	£	£	£
Charges of debt	77,650	77,314	336	—
Pensions	13,393	13,227	166	—
Administrative departments	53,246	86,355	—	33,109
Revenue departments	35,407	34,363	1,044	—
Postal service	23,402	23,862	—	460
Telegraph service	6,629	6,382	247	—
Judicial	41,210	39,764	1,446	—
Ecclesiastical	4,402	5,562	—	1,160
Medical	57,162	55,068	2,094	—
Constabulary	51,474	51,390	84	—
Prisons	20,164	19,619	545	—
Reformatories	4,836	5,336	—	500
Education	56,033	40,790	15,243	—
Harbours and pilotage	2,214	1,802	412	—
Industrial schools	1,272	634	638	—
Military	9,530	8,595	935	—
Coasting service	1,800	1,800	—	—
Steam communication with Halifax	708	350	358	—
Telegraph subsidy	2,000	2,000	—	—
Registration department	3,346	3,338	8	—
Island record office	1,503	1,663	—	160
Registrar of titles department	627	513	114	—
Government printing office	8,741	9,386	—	645
Jamaica institute	1,774	1,832	—	58
Board of supervision	446	436	10	—
Public plantations and gardens	5,479	5,057	422	—
Railway	—	673	—	673
Census, 1891	—	6,232	—	6,232
Miscellaneous	11,596	15,245	—	3,649
Public works	82,666	90,478	—	7,812
Lighthouses	1,051	1,181	—	130
	—	—	24,102	54,588
Total general expenditure	579,761	610,247	—	30,486
Expenditure from specially appropriated Revenues.				
Main Roads Law 17 of 1890	18,666	4,476	14,190	—
Interest on Loan	3,576	—	3,576	—
Total	22,242	4,476	17,766	—

Expenditure.	1892-93.	1891-92.	Increase.	Decrease.
Parochial Expenditure.	£	£	£	£
Parochial roads	52,402	59,552	—	7,150
Kingston streets	905	860	45	—
Parochial municipal objects	10,553	11,729	—	11,176
Parochial general purposes	5,089	3,963	1,126	—
Relief of poor	45,204	43,908	1,296	—
Sanitary appropriation	8,960	6,791	2,169	—
Fire appropriation, Kingston	1,405	1,863	—	458
Gas appropriation, Kingston	2,901	2,854	47	—
	—	—	4,683	18,784
	127,419	131,520	—	4,101
Immigration Expenditure.				
Immigration department	5,103	709	—	—
Introduction of immigrants		33,783		
Return passages		1,148		
Pensions		—		
	—	—	—	30,537
Total immigration	5,103	35,640	—	30,537
General expenditure	579,761	610,247	—	30,486
Expenditure from specially appropriated revenues	22,242	4,476	17,766	—
Parochial expenditure	127,419	131,520	—	4,101
Immigration expenditure	5,103	35,640	—	30,537
	—	—	17,766	65,124
Grand total	734,525	781,883	—	47,358

The general expenditure of the Colony shows a decrease of 30,486*l.*, of which the following are the chief items, namely, Administrative departments 33,109*l.*, Ecclesiastical 1,160*l.* due to the death of state-paid clergymen, census 6,232*l.* which was fully paid for in the previous year; Public Works 7,812*l.*, and Miscellaneous 3,649*l.* The following are items of increase: Education 15,243, due to additional grants in aid; Medical 2,094*l.*, for increase of the Staff and payments of fees to District Medical Officers who were appointed Visiting Officers during the threatened approach of the cholera epidemic.

Parochial expenditure shows a small decrease of 4,101*l.* chiefly under Parochial Roads, the result of the passing of Law 17 of 180, and Parochial Municipal Objects 11,176*l.*, the increases being for Sanitary services 2,169*l.*, Poor Relief 1,296*l.*, and Parochial General Purposes 1,126*l.*

Pensions.

During the year, pensions amounting to 976*l.* 14*s.* 5*d.*, were granted under the provisions of the Jamaica Pension Law 34 of 1885, and the resolution of the Legislative Council of the 23rd October 1885, while the pension list was reduced to the extent of 649*l.* 4*s.* 10*d.*, by deaths, &c.

Debt.

Loans to the extent of 97,871*l.* 19*s.* 7*d.* were raised during the year, including a sum of 1,698*l.* 14*s.* 3*d.* of Savings Bank moneys borrowed for the construction of new telegraph lines under Law 1 of 1879, namely, 61,400*l.* under Law 7 of 1881, "The St. Thomas and Portland Bridges Loan Law"; the premiums ranging from 2*s.* 6*d.* per cent. to 3*s.* per cent.; 3,913*l.* 5*s.* 4*d.* under Law 13 of 1885, the Inscribed Stock Law, to cover expenses of converting Debentures; 30,860*l.* under the Local Inscribed Stock Law for Bridges the rates paid being from 95 to 97½.

Debentures representing 50,200*l.* under Law 37 of 1887, "A "Law to grant temporary aid to the revenue," were paid off, and 5,700*l.* was redeemed from the sinking funds provided for the purpose under the following laws, namely, Law 12 of 1879, 200*l.*; Laws 8 and 17 of 1880, 900*l.*; Law 17 of 1884, 900*l.*; Law 14 of 1886, 800*l.*; and Law 19 of 1880, 2,900*l.*

The public debt directly secured on the general revenue stood as follows at the close of each of the last 10 financial years, after making allowance in each year for the sinking funds actually invested for the eventual redemption of debt:—

	£	*s.*	*d.*
September 30, 1883	1,257,916	2	1
„ 1884	1,243,899	18	9
„ 1885	1,427,458	14	2
„ 1886	1,478,790	3	8
„ 1887	1,491,993	3	9
„ 1888	1,502,684	9	8
„ 1889	1,506,883	6	0
March 31, 1891	1,458,221	12	7
„ 1892	1,520,088	4	3
„ 1893	1,523,944	2	11

Of the above amount of debt on the 31st March last, 821,005*l.* was on account of the railway purchase, reconstruction, and extension, and 82,500*l.* on account of the Rio Cobre Canal.

The following are the amounts due for debentures guaranteed by the general revenue raised on account of the several undertakings specified :—

	£
Kingston and Liguanea waterworks - -	128,200
Kingston markets - - - -	20,000
Kingston gasworks - - - -	30,000
Kingston slaughter-house - - -	10,000

Legislative Council.

After adjournment on the 8th April the Council met again on the 2nd August 1892, when the Honourable Joseph Henry Levy was sworn in as member for the electoral district of St. Mary and St. Ann in succession to the late Honourable Michael Solomon, C.M.G.

The session of 1892, which opened on the 12th January, closed on the 4th August 1892, and the Council was prorogued on the 28th December of that year.

Under proclamation of date the 10th of February 1893, the Council was summoned to meet on the 28th of that month, on which occasion an Order in Council, issued by Her Majesty the Queen, was read, under the provisions of which the Governor ceased to preside over the meetings of the Council and the following members were added thereto, that is to say :—

(1.) A President, to be appointed from time to time, either by Her Majesty by warrant under Her sign manual and signet or by the Governor by an instrument under the broad seal of the Island of Jamaica under instructions from Her Majesty through one of Her Principal Secretaries of State.

(2.) The person for the time being lawfully exercising the functions of the Office of Collector General.

The Order in Council also provides that the Council elect one of its members as Vice-President.

The Honourable James Cecil Phillippo, M.D., was appointed by Her Majesty as President of the Council, and sworn in as such accordingly.

Robert Batten, Esq., Collector General, was sworn in as an ex-officio member of the Council.

The Honourable William Andrews was sworn in as member for the electoral district of St. Thomas and Portland in succession to the late Honourable W. B. Espeut.

The Honourable John Pringle, M.B., Acting Superintending Medical Officer, was sworn in on the 6th March 1893, as a nominated member of the Council to fill the vacancy caused by the resignation of the Honourable Dr. C. B. Mosse, C.B.

On the 14th of March 1893, the Honourable George Solomon was sworn in as a member for the Parish of Clarendon in the room of the Honourable Robert Craig, resigned.

The Session continued beyond the close of the year under review, and the Council finally adjourned *sine die* on the 26th April 1893, having sat on 27 days.

Public Works.

The total expenditure under all heads was 170,854*l.* 15*s.* 8*d.*, of which 38,207*l.* 9*s.* 7*d.* was expended on main roads and bridges, 62,475*l.* 12*s.* 4*d.* on parochial roads taken over as main roads, under Law 17 of 1890, 18,351*l.* 9*s.* 11*d.* for salaries, travelling allowances, printing, stationery, postage and office expenses, and 21,806*l.* 18*s.* 2*d.* for maintenance, &c., of public buildings, and for new works, while the balance of 29,993*l.* 16s. 8*d.* was for lighthouses, irrigation works, waterworks, telegraph maintenance, and construction, &c.

The average cost per mile for maintenance of the 840 miles of main roads was 40*l.* 7*s.* 7*d.*, a decrease of 12*s.* 8*d.* per mile on the rate for the previous year. This rate includes not only the maintenance of the roads proper, but also the repair and rebuilding of bridges and culverts, regulating gully courses, and many other special and minor works of improvement on the roads. The average cost per mile for maintenance proper was 34*l.* 11*s.*

No flood damage of any extent occurred during the year, and the roads throughout the Island were generally in good order. Attention was paid to the important matter of drainage, and a considerable portion of the maintenance money was expended in cutting water-tables in rock where none had previously existed.

The total length of parochial roads taken over under Law 17 of 1890 as main roads up to the end of the year was 955 miles, and the total cost of reconstruction and maintenance amounted to 181,183*l.* 8*s.*

The expenditure for maintenance and repairs of public buildings amounted to 8,165*l.* 0*s.* 8*d.*, and was for the usual maintenance and repairs of churches, court-houses, prisons, police stations, reformatories, industrial schools, &c.

A sum of 13,641*l.* 17*s.* 6*d.* was spent on new works and alterations to public buildings during the year.

The telegraph lines throughout the Island, 651 miles in extent, were maintained in a fair state of efficiency at a cost of 1,657*l.* 9*s.* 10*d.*

The three lighthouses at Plumb Point, Morant Point, and Folly Point were maintained with regularity and efficiency throughout the year.

The work on the St. Thomas, Portland, and St. Mary bridges was completed during the year, the last and greatest of them, the Rio Grande Bridge, a structure of six spans of 76 feet clear water-way each, having been opened by me in May 1892. With the completion of this bridge the road from Kingston to Port Antonio is now in all weather uninterrupted by floods, the only possible source of interruption being landslips on the Annotto Bay Junction Road.

JAMAICA. 1892–3.

The important work of constructing the interior main road in St. Thomas was commenced, and a sum of 9,135*l.* 8*s.* 6*d.* was expended on it during the year.

A considerable number of parochial works, such as the construction and reconstruction of roads and bridges, the preparation of plans, specifications and estimates, and the making of surveys, &c., were carried out by the Public Works Department.

Lands.

The acreage of Crown lands at the end of the year was 98,513. In 1890 the West India Improvement Company selected 64,000 acres under Article 35 of the Agreement embodied in Law 12 of 1889. Of this reserve 8,000 acres had been conveyed, and 8,692 acres were in course of conveyance, to the Company, besides 2,640 acres not of the original selection.

Much of the Crown land is good, but generally inaccessible owing to the want of roads.

206,425 acres of land are now forfeitable to the Crown for non-payment of quit-rent, but final judgment was given during the year with respect to only one property. Proceedings for the acquisition of such land are necessarily slow, and the delay prevents terms being arranged with would-be purchasers, of whom there are many.

The greater portion of the forfeitable land is in the heart of the Island, and badly served by roads, but thousands of acres are of good and accessible land.

One property was recovered from a squatter during the year. 19½ acres of land, besides the premises of the Old Short Term Prison at St. Anns Bay, were sold or conveyed during the year, and 1,234¾ acres leased.

The income derived from the sale and rental of Crown lands during the year was 1,339*l.* 1*s.* 5*d.*, while that for the past twenty years averaged 2,400*l.*, the income diminishing with the gradual sale of the lands.

A detailed survey was made at Appleton of lands adjoining the railway, and another at Negril Point, where a lighthouse will be erected, of four square miles of country.

On the recommendation of the Surveyor-General, and of a Commission of Inquiry, the laws establishing mountain and river reserves were repealed as impracticable.

Lands for Railway Track.

Out of 344 owners of land acquired for the railway extension to Montego Bay, terms were arranged in 1891-92 with 197, and in 1892-93 with 128, leaving 19 cases still under dispute, most of them with large landowners.

So far as the promoters are concerned, however, they received possession of all lands on this extension last February with a single exception.

The number of acres taken for this extension is 723, an average of 11 per mile; 475 of these have been paid for at an average cost per acre of 36*l.* 11*s.* or of 400*l.* per mile. It is anticipated, however, that when the larger and more valuable properties remaining to be acquired are settled for, this figure will be exceeded by 25 or 30 per cent., and that 60,000*l.* at least will have to be expended on the lands along both extensions of the railway.

Rio Cobre Canal.

The cost of management and maintenance of the works for the year was 1,177*l.* 17*s.* 5*d.*, whilst 161*l.* 16*s.* 6*d.* was spent in extending subsidiary channels and on other new works, making a total expenditure of 1,339*l.* 13*s.* 11*d.*

The revenue earned was 3,425*l.* 5*s.*, or 1,173*l.* greater than the average 2,250*l.*, of the past six years; 3,304*l.* 16*s.* 10½*d.* was actually collected of the 3,425*l.* 5*s.* earned, against 2,963*l.* 12*s.* 9¾*d.* collected in the previous year. The decided increase in earnings is attributed to Law 39 of 1889, which imposes a small irrigation rate on all lands within the area controlled by the canals.

During the past two years a large land owner has grown bananas on two pens under irrigation with, it is understood, very satisfactory results, and he has therefore taken steps along with several others to extend the area under this cultivation.

The Director of Public Works reports that there are thousands of acres of suitable land within reach of the canals the extension of cultivation on which, under irrigation might, in a few years, double the revenue of the works without appreciably increasing the cost of maintenance.

Post Office and Telegraphs.

The collections under these heads show an increase of 865*l.* 15*s.* 1¼*d.* on the previous year's figures, as detailed in the following comparative table :—

Period.	Postages.	Commission on Money Orders.	Commission on Postal Orders.	Telegraphs.	Miscellaneous.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1890-91 -	16,833 10 11½	344 10 8	207 17 6	6,407 17 3	253 3 6	24,046 19 10½
1891-92 -	17,437 6 1½	335 9 8	335 18 9	5,767 19 3	224 5 11	24,100 19 8½
1892-93 -	18,260 5 8½	307 6 6	401 13 3	5,813 11 0	183 18 4	24,966 14 9½

The Postmaster for Jamaica regards the continued increase under postages as highly satisfactory, looking to the substantial reductions of 50 per cent. and 37 per cent. which were made in the Inland and Packet Letter Rates of Postage from the 1st January and 1st June 1890 respectively. The actual loss consequent on these reductions for the year under review amounts

to only 1,429*l.* 0*s.* 5½*d.*, or 8 per cent., as against 2,252*l.*, or 12¾ per cent., the ascertained loss for the previous year, and 5,000*l.* the estimated probable loss, when the change was about to be brought into operation, results which are considered as satisfactory evidence of the resiliency of the Postal Revenue, and justify the hope that in the near future there will not be any loss resulting from these reductions.

The slight decrease under "Commissions on Money Orders" is attributed to the existence of greater banking facilities for the remittance of funds; and the steady increase of "Commission on Postal Orders" to the growing appreciation by the public of the system, which is assuming large proportions.

The receipts on account of telegraphs, it will be seen, show an increase of 43*l.* 11*s.* 9*d.* over the amount received for the previous year, the number of messages sent and received being 103,803, as against 102,925 in the previous year, or an increase of 878.

The expenditure of the Postal Department, which amounts to 20,398*l.* 14*s.* 2½*d.*, is a decrease of 659*l.* 17*s.* 7¼*d.* on that of 1891-92, principally under the heads of salaries (due to changes in the staff consequent on the retirement of the late Postmaster) and inland mail conveyance. On the other hand, telegraph expenditure has increased by the sum of 252*l.* 2*s.* 2½*d.*, the result of the establishment of new stations in the previous year, and of an increase in the wages of the assistant telegraph operators in accordance with the wishes of the Legislative Council.

Another telegraph station was opened during the year, and the lines generally have been efficiently maintained by the Public Works Department without anything like a serious or prolonged interruption.

The Ocean Mail Service has continued to be satisfactorily performed by the Royal Mail Steam Packet Company under contract, while mails have also been exchanged with places abroad by means of the various steamship lines communicating with the Island, and similar testimony is borne as to the manner in which the conveyance of the inland mails has been carried out.

The total estimated number of letters and post cards, inland and foreign, which were circulated during the year, exceeds the circulation of the previous year by 115,016, an increase which may be regarded as continued evidence of the appreciation by the public of the facilities afforded them by the Department.

Railway.

The gross receipts of the Jamaica Railway Company for the year ended 31st March 1893, amounted to 70,891*l.* 0*s.* 9*d.*, and the expenditure to 52,600*l.* 7*s.* 9*d.*, leaving a net revenue of 18,290*l.* 13*s.* 0*d.*

Coal and stores to the value of 2,355*l.* 5*s.* have been used out of the stock remaining on hand at the close of the year 1891-92, and the expenditure for the period under review has been credited with that sum.

The receipts were made up as follows:—

	£	s.	d.
Goods and cattle	39,126	13	1
Passengers	25,749	6	4
Prince's wharf	5,593	16	0
Miscellaneous	421	5	4
	£70,891	0	9

The number of train miles run amounted to 269,709, and the expenditure and revenue per mile to 3*s*. 10·81*d*. and 5*s*. 3·08*d*. respectively, leaving a net revenue of 1*s*. 4·27*d*. per mile.

The number of passengers carried was 290,415, 20,437 of whom were 1st class and the remainder 3rd class. 9,218 passengers travelled with season tickets.

Seven miles of the line on the Montego Bay section were completed during the year, although not actually opened to traffic. The mileage actually open to traffic is now 95.

Interest was paid out of Revenue on First Mortgage bonds in June 1892, to the extent of 5,434*l*. 16*s*. 7*d*., and in December 1892, to the extent of 6,871*l*. 12*s*., making a total payment of 12,306*l*. 8*s*. 7*d*.

Agriculture.

The fruit trade, which was referred to in last year's report as being in a depressed state, has somewhat recovered its former healthy condition, and the increase there spoken of in the crops of sugar and output of rum has been fairly maintained during the year under review.

The export of cocoa shows an increase of 3,010 cwt. in quantity and 8,896*l*. in value, coffee an increase of 10,378 cwt. in quantity and 3,726*l*. in value, bananas 676,280 bunches and 76,843*l*. in value, oranges 3,806,526 in number and 11,526*l*. in value.

The following table shows the relative value in 1892–93, 1891–92 and 1890–91 of products of the Island exported:—

——	1892–93.	1891–92.	1890–91.
Sugar	14·3	15·6	13·1
Rum	11·3	15·7	11·
Coffee	20·1	20·7	15·7
Dyewoods	21·1	18·7	21·3
Fruit	23·1	17·7	29·4
Pimento	3·5	3·1	4·5
Minor products	6·6	8·5	5·

The area of land in the island, under cane and coffee cultivation, has varied very little in recent years. There were during the year under review 32,466 acres in cane and 21,450 in coffee.

The cultivation of bananas has increased to 14,860 acres from 9,959 in the year 1890–91.

The total area under cultivation in the Island was 666,741 acres, of which 499,053 was in guinea grass, pimento, and common pasture against a total area of 1,958,678 acres of the whole Island on which the property tax was collected.

Botanical.

The useful work annually performed by this Department has continued during the year under review, and it will be seen from the following figures, showing the sale and distribution of plants at the different gardens, that the advantages offered by the Department to the general public are availed of to a considerable extent:—

Hope Gardens, plants sold	20,356
Castleton	3,868
Hill Garden	760
Total sold	26,984
Distributed free or in exchange	6,693
Sent to Hope Gardens for distribution	7,494
	37
Total distributed	14,224

The issue of the usual monthly Bulletins, which are supplied free of cost to residents in the Island, and form a most useful means for the dissemination of information relating to plants, has been regularly carried out by the Department, the number distributed in the Island being 675, while the circulation abroad amounts to 178.

The work of maintaining the gardens generally has been carried out in a satisfactory manner.

At the *Hope Gardens* it was not found possible to continue the work of extension during the year owing to want of funds, but the area under cultivation has been considerably improved. Trees have been planted in the different sections according to the geographical arrangement on which the plan of the garden has been laid down, and in the tropical African section a commencement has been made towards putting the whole place under Bahama grass, while the fern house, the rosery, the sugar cane plantation, and the economic section have all received careful attention at the hands of the superintendent.

Experiments are being carried out with potatoes, onions, and fodder plants, and the budding of oranges on a small scale has been partially successful.

The sisal hemp plantation is flourishing.

The *Hill Garden* (*Cinchona*).—Experiments in the cultivation of Peas have been carried on with generally satisfactory results and the important question of suitable fodder plants for the higher elevations has been engaging the attention of the Department for some time, and it is to be hoped that the experiments now being carried out will have successful results.

The garden at *Castleton* has been maintained in its customary satisfactory condition, and, as usual, has been much frequented by visitors. Most of the plants in the rosery having become worn out by continuous cutting, a new bed has been prepared and planted. The stock of plants in the fern house and on the rockeries has also been considerably increased.

The *Kingston Public Garden* has continued to afford a means of pleasant recreation to the people of the city, who appreciate the weekly performances by the excellent band of the West India Regiment. Gates have been erected on the east and west sides of the garden, as was intended in its original design.

The plants from the exhibition grounds have done well, and more have been brought from the Hope Gardens, still further improving the appearance of the grounds.

At *King's House* several improvements have been effected during the year, of which the formation of a vinery may be mentioned as the principal feature.

A large number of cuttings of the best English vines were obtained, through the kind offices of the Director of Kew Gardens, from the Royal Horticultural Society's gardens at Chiswick, and from these 34,350 cuttings were produced and planted out for distribution later. Vines were also obtained by myself, and from Madeira by Dr. Grabham, who kindly presented them to the Department.

The plan proposed last year for instruction in the cultivation of the vine has been carried out, and demonstrations have been frequently given by the Superintendent.

The *Library* has been added to during the year, and work in the Herbarium has been continued.

Education.

The results of the year under review, as compared with the preceding period of 12 months, are shown in the following summary:—

Year.	Schools on Government List.	Schools Inspected.	Scholars on Books.	Scholars in Average Attendance.	Percentage in Average Attendance of Number on Books.	Class of Schools.						Fees.	Grants in aid, including Building Grants.
						I.	II.	III.	E.	F.	Not examined.		
												£	£ s. d.
1892-93 - - -	913	867	92,135	52,983	57·50	143	389	379	—	1	44	6,649	34,724 11 0
1891-92 - - -	872	817	83,731	45,927	54·85	128	329	350	3	7	53	8,803	30,736 0 0
Increase - - -	40	50	8,404	7,056	2·65	15	60	29	*3	*6	*9	*2,154	5,945 11 0

* Decrease.

The superintending inspector of schools attributes the large increase in the number of scholars on books and in average attendance, as well as (to a less degree), in the number of schools on the list, to the abolition of fees under the Elementary Education Law (31 of 1892), which took effect from the 1st of July, although the attendance was not appreciably affected by the change for some time, and a further increase may, therefore, be expected in the future.

A satisfactory increase of nearly 3 per cent. is also shown in the "Percentage in average attendance of number on books," which Mr. Capper regards as justifying the hope expressed by him last year, that improvement in regularity of attendance would follow the abolition of fees.

The superintending inspector also considers the increase in the number of first and second class schools very satisfactory, considering the great mass of raw material thrown on the hands of teachers by the large influx of new scholars into the schools, and he is of opinion that it will be still more creditable to the teachers if anything like the same general level of efficiency is maintained next year.

Mr. F. E. Reed, B.A., London, was appointed to the staff of inspectors during the year, but so rapid has been the increase in the number of schools and the average number of children that the work of the inspectors has been in no way lessened by this addition to the staff.

The annual examination of teachers and students in training colleges took place in December, with result showing a steadily continued improvement, there being a slight increase in the number obtaining honours and a bonus, and a transfer of 3 per cent. from the partial passes to the full passes, while the proportion of failures remained the same.

Mr. Capper attributes the small number of teachers, who present themselves at these examinations to a want of confidence on the part of would-be candidates who dread the supposed discredit and reproach attaching to failure at the examination.

The high standard of work which has been reached by the training colleges of late years has been fully maintained during the period under review, with one exception, due to the inadequacy of the staff of the college, a defect which has since been rectified, and the inspector states that there is no reason to doubt that the college in question will soon recover its old position.

It was unfortunately found necessary, owing to an outbreak of fever, to close the Bethlehem Moravian Female Training College during a considerable period of the year, but under the circumstances the usual bonuses were allowed to the college, and concessions made with regard to the students' examinations.

At the Government Female Training College, Shortwood, the work again shows an improvement on the previous year; and altogether the training colleges are doing good work in turning

out teachers for the elementary schools, the demand for which still considerably exceeds the supply.

The usual examination of pupil teachers and pupils at elementary schools who voluntary present themselves for examination was held in December with a total number of 672 candidates as against 520 in July 1891, the largest number ever previously examined.

Of the 261 teachers examined, 135 passed, or a percentage of about 50, which is not equal to the standard of last year, but, on the other hand, 148 volunteers succeeded in passing out of 411 examined, giving a percentage of over 36, an improvement on former results. Candidates for the training colleges are included under second year pupil teachers and volunteers, of whom, out of a total of 182 at the examination, 69 successfully passed, or a percentage of about 37.

In reviewing the work of the schools for the year, most of the inspectors coincide in the opinion that intelligent reading on the part of pupils is still a marked defect in their tuition, and it is to be hoped that the constant attention which is directed to this deficiency may result in some improvement in the future.

One result of the abolition of school fees by Law 31 of 1892 is shown in the inadequacy of the present accommodation for the increased number of pupils entering the schools, in some cases classes having to be taken outside the buildings, and the provision of enlarged accommodation will have to be considered in the immediate future, but in this direction the people will have to take action on their own behalf, as the already overburdened general revenue will be unable to bear any addition to the large amount now provided for building grants, and in view of the relief to their pockets by the abolition of fees, this should not prove any cause for complaint by parents who have benefited so considerably by the change.

The Board of Education established by the Elementary Education Law of 1892 was appointed in May, and held the first of its meetings in the following July, performing useful work during the year in a very necessary revision of the Code for Teachers, an amending law being passed to carry out several of its recommendations.

To the number of industrial schools placed under the charge of the Superintending Inspector by Law 13 of 1891, has been added during the year an orphanage for girls, which was opened at Belmont, Stony Hill, in October last, under the auspices of the Bishop of Jamaica, and although the institution has been too short a time in existence to show much in the way of results, these will no doubt correspond in the near future with the excellent arrangements made for the training of the children.

At the Hope Industrial School for Boys, between 20 and 30 inmates have been provided for during the year, receiving the usual instruction in carpentry and gardening, as well as instructions in the school, but the system of management has not been regarded as altogether satisfactory, and a proposal is receiving

consideration by which the school will be placed under the charge of the Director of Public Gardens and Plantations, with a view to imparting a thorough agricultural training to all the pupils.

The schools at Alpha Cottage, under the management of the Roman Catholic Clergy, have continued to be conducted as admirably as heretofore, an excellent feature of the boys' school (a comparatively recent addition) beingthe drum and fife band, which is very popular with the boys.

The girls Industrial School at Shortwood was opened on the first day of the year under review, and has been in successful operation ever since, an interesting change in the employment of the girls being the successful experiments in hat and basket making.

Altogether the work of the industrial schools promises to become an important factor in the training of the juvenile population of the Island.

Immigration.

During the calendar year 1892, no immigrants were introduced, the number applied for—263—being too small to warrant the chartering of a vessel for their conveyance.

The ship "Jumna" was despatched for Calcutta on the 7th September 1892, with return coolies from Jamaica and St. Lucia, the number from Jamaica being 375, equal to 327 statute adults. They took with them Government bills to the amount of 1,748*l.* 5*s.*, besides gold and a considerable quantity of jewellery. Three time-expired coolies, with their families, numbering together 13 persons, also returned to India viâ England and at their own cost. They took 933*l.* in Government bills alone.

The number of passports issued to time-expired immigrants leaving the Island was 33.

The birth rate for the year was 1·62, and the death rate 2·49 per cent., among indentured coolies a high per-centage, that for the previous year being 1·50. The deaths were chiefly due to bowel and chest affections and fever, and are attributed by the protector, in a great measure, to chills contracted by the people uncovering their bodies after working hours and reverting to the native wrapper round the loins, and turban.

The number of coolie depositors in the Savings Bank during 1891–92 was 667, with a total at credit of 14,054*l.* 8*s.* 5*d.*, against 745 with 16,758*l.* 3*s.* 6*d.* in the previous year.

The percentage of the East Indian population in prison was 0·14 per cent., while 0·28 per cent. were in the lunatic asylum.

The protector represents the indentured coolies now in the island to be, generally speaking, of a much superior class to many of the batches introduced in former years, good labourers and an acquisition to the Colony. He instances, however, two cases of women specially unfitted for immigration; one, a person of

comparatively refined appearance, and with delicate hands, stated herself to be the daughter of an Indian Prince, and refused to do any work. On inquiry it was found that her statement was false.

Emigration.

During the year under review 563 labourers left Jamaica for the Isthmus of Panama, 16 for Port Limon, and the remainder for Colon; and 953 returned from the Isthmus by way of those ports, only 21 being from Port Limon.

Government Savings Bank.

The number of depositors and the amounts of deposits in the bank have been as follows in the last 10 years :—

Year.	Number of Depositors.	Amount of Deposits.
		£
1882–83	11,925	325,705
1883–84	13,601	350,546
1884–85	15,511	360,190
1885–86	16,320	363,292
1886–87	17,047	363,481
1887–88	18,510	393,250
1888–89	19,444	408,213
1890–91	21,747	423,011
1891–92	22,824	428,348
1892–93	23,902	417,978

showing a decrease of 10,370*l.* in the amount of deposits, but an increase of 78 in the number of depositors.

In the above amount of deposits are included five deposit amounts for the following public funds :—

	£	s.	d.
Immigration return passage fund -	586	14	0
Constabulary reward fund - -	546	1	4
Sinking funds - - - -	1,108	5	6
Constabulary pension fund - -	2	1	4
Smith and Beckford's Charity - -	101	2	9

There were also 271 accounts for trusts, charities, Chancery suits, Administrator General and bankrupt estates, amounting to

a total deposit of 30,519*l.* 3*s.* 4*d.* The remaining 22,642 accounts, representing 383,653*l.* 16*s.* 5*d.*, are all ordinary and legitimate savings bank deposits.

Of the total number of accounts open at the end of the year, 16,075 were for 5*l.* and under, and 1,159 were for over 100*l.*

The assets of the bank on 31st March last were distributed as follows:—

	£	s.	d.	£	s.	d.
Consols, 2¾ per cent.				20,404	17	3
Inscribed Stock:—						
Canada, 3 per cent.				27,908	0	8
„ 3½ „						
Cape of Good Hope, 4 per cent.				47,766	6	8
Ceylon, 4 per cent.				14,400	0	0
New South Wales, 3½ per cent.				31,558	11	3
Victoria, 4 per cent.				12,015	0	0
Jamaica, 4 per cent.				9,900	0	0
				163,952	15	10
Debentures:—						
Canada, 4 per cent.	53,990	12	6			
New South Wales, 5 per cent. / New South Wales, 4 per cent.	60,997	10	0			
South Australia, 4 per cent. / South Australia, 6 per cent.	53,531	2	6			
Victoria, 4 per cent. / „ 4½ „	47,308	12	6			
Jamaica, 5 per cent.	5,055	19	3			
				220,883	16	9
				384,836	12	7
Cash on deposit in Colonial Bank				33,141	8	3
Total				£417,978	0	10

During the year 3,416 accounts were opened and 2,345 closed, resulting in an increase of 1,062 in the number of accounts open

at the end of the year, as compared with the number in the year before.

The number of deposits amounted to 26,037, and withdrawals to 29,481, representing respectively 197,613*l.* and 219,682*l.*

The expenses of management and the interest credited to depositors amounted to 14,359*l.*, while the revenue realised was 16,065*l.*, thus showing a net profit of 1,706*l.* on the year's transactions.

Trade.

The following table shows the value of the imports in each of the last 10 years :—

	£
1882-83	1,625,411
1883–84	1,568,639
1884–85	1,487,833
1885–86	1,325,603
1886–87	1,322,336
1887–88	1,695,605
1888–89	1,597,600
1890–91	2,188,937
1891–92	1,759,890
1892–93	1,941,481

There has thus been an increase during the year under review of 181,591*l.* compared with the year before, and the value is higher than in any year of the decade, with the exception of 1890–91, which was exceptional, owing to the impetus to trade given by the Jamaica Exhibition.

The value of goods entered for home consumption was 1,928,556*l.*, an increase over 1891–92 of 165,557*l.*

The principal items in which the returns show a marked increase are cattle 13,106*l.* as against 7,154*l.*, refined sugar 524,898 lbs. valued at 6,561*l.* as against 98,874 lbs. valued at 1,186*l.*; bread and biscuit 14,128*l.* as against 13,104*l.*; corn 29,766 as against 26,735*l.* The value of beef and pork imported as compared with 1891–92 has increased by 1,343*l.*; of condensed milk by 3,753*l.*; of oils for food by 6,490*l.*; of tea by 307*l.*; and of tobacco by 3,025*l.*

The increase in the value of tobacco is very remarkable, being 20,207*l.* as against 16,764*l.* last year. It occurs principally under the head of cigarettes, which show an increase in the number imported of 50 per cent.

Taking 400 cigarettes to the lb., the increase represents 7,000,000 cigarettes, and this notwithstanding the fact that there has been no diminution in the imports of either manufactured or leaf tobacco, but an increase in both.

There have been decreases in the value of butter, cheese, lard, provisions, rice, and salt.

In manufactured articles other than those included under the head of food and drink, increases are shown in the following:—Apparel and slops, 9,199*l.*; cottons of all kinds, 62,651*l.*; hats, 7,185*l.*; silks, 6,047*l.*; woollens, 7,801*l.*; and medicines and medicinal preparations, 5,382*l.* Among those which show a decrease are, haberdashery and millinery, 4,317*l.*, and pitch pine lumber, 2,820*l.*

The imports into the Colony during the year were drawn from the sources named in the following proportion:—

United Kingdom, 1,001,769*l.*, or 52 per cent. of the whole.
United States, 671,376*l.*, or 34 per cent.
British Colonies, 228,418*l.*, or 11·8 per cent.
Other countries, 26,994*l.*, or 1·4 per cent.

Last year's corresponding figures were:—

United Kingdom, 875,045*l.*, or 49·6 per cent.
United States, 653,279*l.*, or 37·2 per cent.
British Colonies, 217,781*l.*, or 12·3 per cent.
Other countries, 16,894*l.*, or 1 per cent.

The following return of goods relieved from duty under the tariff is given in continuation of similar information in former years:—

——	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
	£	£	£	£	£
Steam engines	14,199	12,604	9,268	10,704	4,287
Mills	1,593	2,516	862	257	564
Other machinery	5,324	6,618	2,509	3,553	2,442
Pans for boiling sugar	2,025	1,067	—	201	435
Pipes for fluids	3,512	4,358	2,365	8,205	3,472
Stills	1,489	312	72	1,102	998
Shooks of all sorts	13,724	13,520	11,588	7,149	13,649
Staves	6,148	10,590	9,052	3,375	3,822
Wood hoops	1,923	1,047	1,107	855	978
Iron, galvanised	9,469	8,649	4,758	3,132	3,036
„ other manufactures	433	1,109	—	—	—
Miscellaneous	7,118	5,242	4,854	4,339	2,608
	66,927	67,632	46,435	42,873	36,291

(*continued.*)

——	1887-88.	1888-89.	1890-91.	1891-92.	1892-93.
	£	£	£	£	£ s. d.
Steam engines	4,569	13,289	13,772	10,370	12,577 7 6
Mills	722	1,756	1,714	2,640	
Other machinery	12,569	5,570	20,761	13,624	6,265 15 7
Pans for boiling sugar	203	415	254	795	342 1 10
Pipes for fluids	3,028	2,531	8,395	3,748	10,020 19 2
Stills	345	277	443	868	683 16 8
Shooks of all sorts	17,974	9,973	4,296	7,863	19,078 18 5
Staves	4,952	983	150	3,606	1,514 0 8
Wood hoops	1,841	797	159	385	514 0 11
Iron, galvanized	3,147	5,582	8,238	9,868	7,330 2 7
„ other manufactures	683	659	1,271	857	131 6 8
Miscellaneous	4,443	4,961	9,037	9,313	10,364 1 4
	54,476	46,893	58,490	63,937	68,822 11 10

The following table gives the value of the exports in each of the last 10 years :—

Year.	Of Produce and Manufactures of the Colony.	Of British, Foreign, and other Colonial Produce and Manufactures.	Total.
	£	£	£
1882–83	1,365,868	103,578	1,469,446
1883–84	1,350,900	33,089	1,483,989
1884–85	1,181,203	227,645	1,408,848
1885–86	1,078,315	201,803	1,280,118
1886–87	1,334,465	174,542	1,509,010
1887–88	1,661,601	166,989	1,828,590
1888–89	1,501,660	113,164	1,614,824
1890–91	1,807,084	95,730	1,902,814
1891–92	1,628,777	93,319	1,722,096
1892–93	1,690,637	69,170	1,759,807

This shows an increase on the total value for the year of 37,711*l.* Of Island produce the increase was 61,860*l.*, but the value of other exports fell off to the extent of 24,149*l.*

The increase in the value of Island produce exported is due to the recovery of the fruit trade, which during the previous 12 months had suffered from the large yield of fruit in America. Cocoa, coffee, honey, pimento, fustic, and logwood spars were also

exported this year in larger quantities, but there has been a smaller output of cocoanuts, ginger, rum, sugar, and cigars. With regard to exports other than Island produce, it may be explained that they are practically confined to such imports as are reshipped, and there is but little scope for this class of trade.

The following table shows for five years the percentage proportion which each of the several articles mentioned bears to the total export value :—

——	1887–88.	1888–89.	1890–91.	1891–92.	1892–93.
Sugar	17·3	16·3	13·1	15·6	14·3
Rum	12·2	9·1	11·0	15·7	11·3
Coffee	19·3	19·4	15·7	20·7	20·1
Dyewoods	21·2	25·0	21·3	18·7	21·1
Fruit	21·6	20·3	29·4	17·7	23·1
Pimento	2·7	3·2	4·5	3·1	3·5
Other produce	5·7	6·7	5·0	8·5	6·6

The export of the principal staples in each of the last 10 years is shown in the following table :—

——	1882–83.	1883–84.	1884–85.	1885–86.	1886–87.
Sugar - hhds.	30,783	29,427	24,986	16,460	23,043
Rum - phns.	20,085	20,364	20,805	14,763	24,126
Coffee - lbs.	9,443,100	4,295,994	9,033,606	6,150,960	6,337,742
Pimento - lbs.	9,551,630	12,372,863	6,794,078	6,919,087	7,335,712
Dyewoods—fustic and logwood - tons	33,108	46,724	57,533	65,082	63,114
Ginger - lbs.	836,889	1,359,321	9,379,056	1,193,158	1,111,926
Arrowroot - lbs.	2,515	3,655	1,008	1,010	1,693
Fruit, value - £	132,962	253,021	181,650	231,522	215,583

(*continued.*)

——	1887–88.	1888–89.	1890–91.	1891–92.	1892–93.
Sugar - hhds.	24,524	16,163	20,994	21,210	18,591
Rum - phns.	18,684	13,749	15,936	17,049	16,982
Coffee - lbs.	11,084,080	9,485,960	8,476,160	9,739,712	11,298,084
Pimento - lbs.	7,454,608	5,172,153	10,120,544	7,137,648	7,711,645
Dyewoods—fustic and logwood - tons	103,364	116,247	110,994	87,352	99,083
Ginger - lbs.	1,144,864	1,002,653	1,219,197	1,888,581	1,526,776
Arrowroot - lbs.	3,092	836	970	1,200	336
Fruit, value - £	337,403	303,910	531,726	288,159	375,860

JAMAICA. 1892–3.

The exports from the Colony during the past 10 years were distributed among the different countries in the following proportion:

	1882–83.	1883–84.	1884–85.	1885–86.	1886–87.	1887–88.	1888–89.	1890–91.	1891–92.	1892–93.
United Kingdom	54·46	43·4	37·2	39·7	38·6	40·2	37·3	32·4	32·7	29·1
United States	10·07	31·1	42·2	44·0	43·9	43·2	50·2	55·3	50·9	54·2
Dominion of Canada	16·66	13·4	5·4	3·5	1·3	1·6	2·3	2·1	3·5	2·6
Other Countries	6·81	12·1	15·2	12·8	16·2	15·0	10·2	10·2	12·9	14·1

From this it will be seen that exports to the United States have resumed the position temporarily lost last year, and the fact is due to the revival of the fruit trade already referred to. The large exports of logwood to Germany, France, and Russia, account for the improved position of the exports to "other countries."

Police.

The strength of the regular police force on the 31st of March 1893, was 735 officers and men, including one inspector-general, 13 inspectors, four sub-inspectors, 119 non-commissioned officers, and 598 men, being 27 below the allowed strength for the year.

The rural headmen and police at the same date numbered 923, thus giving a total effective police establishment of 1,658 of all ranks.

The enlistments during the year were 100, while 74 men were discharged or dismissed, and five died. Pensions were awarded during the year to 16 of the men discharged, and gratuities granted to 12—the amounts reaching in the case of the former to 303*l.* 13*s.* 8*d.*, and in the case of the latter to 227*l.* 5*s.* 11*d.*

Two new stations have been established—one at Clarke's Town, in Trelawny, the other at Darliston, in Westmoreland, and an increase of the Kingston division by 26 men was sanctioned.

The following table shows the services rendered by the police, as compared with the preceding four years;—

	1887–88.	1888–89.	1889–90.	1891–92.	1892–93.
Number of persons arrested on view and on information	5,334	4,218	9,624	6,558	6,923
Number of persons apprehended on warrants	1,674	1,873	2,499	1,645	1,802
Number of search warrants executed	75	102	153	116	102
Number of persons summoned	14,297	14,018	25,427	17,588	18,206
Number of persons subpœnaed	22,472	21,702	27,540	28,267	28,766
Number of seizures under revenue laws	465	225	665	325	440
Number of post-mortems ordered	319	388	627	460	432
Number of prisoners escorted	8,050	8,796	15,812	9,638	10,570

The Criminal Returns show eight cases of murder as against 13 last year. Of the eight cases two were convicted, two discharged for want of evidence, and the remaining four remained undisposed of at the close of the year under review.

There were 16 cases of manslaughter, seven of which resulted in convictions, four being acquitted, and the rest either abandoned for want of evidence or undisposed of at the close of the year.

Cutting and wounding show the large total of 652 cases, of which 383 were convicted. The cases of concealment of birth have gone up from 6 in 1892 to 10 in 1893. Six convictions were obtained, three were discharged by the magistrates, one was acquitted, and one remained undisposed of.

Of offences against property committed with violence, breaking into dwelling-houses, and breaking into shops, furnish the greatest numbers, being 166 and 109 respectively. The total number of offences under this head is 306.

Offences against property without violence have risen from 4,352 in 1891–92 to 4,416 in 1892–93; this increase is attributable rather to the increased facilities afforded by the Resident Magistrates' Courts for bringing offenders to justice than to any actual increase of crime.

The offences which principally contribute to the total are, larceny of small stock, 264 cases; larceny in dwelling-houses, 278; simple larceny, 1,612; prædial larceny, 1,357.

Under the head of malicious injury to property there has been a regrettable increase of arson cases, which are 49 as against 34 last year. In 20 cases the prisoners arrested were discharged for want of evidence. Of the 28 cases that went for trial 16 were convicted.

The Police have rendered the usual services in connection with Municipal Laws and Regulations, Revenue and Sanitary Laws, and the general preservation of order.

Prisons.

The prisoners in all the prisons and gaols of the Island on the 31st of March 1893 numbered 964, a decrease of 24 compared with the numbers on the same date in the previous year. The number in custody in each of the last six years has been :—

On 30th September	1887	795
„	1888	749
„	1889	890
31st March	1891	893
„	1892	988
„	1893	964

JAMAICA. 1892-3.

The following is a return showing the results of the year under review in other respects compared with the previous year :—

	Year ended 31st March,	
	1893.	1892.
Commitments :—		
To prison	4,566	4,259
To lock-ups	361	265
Total	4,927	4,524
Re-convictions	1,553	1,572
Deaths :—		
General Penitentiary	16	14
Other prisons	21	30
Total	37	44
Executions	1	5
Daily average number of prisoners in custody	1,004	940
FINANCIAL.	£ s. d.	£ s. d.
Gross expenditure	18,613 6 8½	18,623 2 11¼
,, earnings in cash	4,890 2 10⅓	5,058 15 4
Net cost of maintaining prisons	13,723 3 10	13,564 7 7
Cost per prisoner	13 13 4¼	14 8 7
Estimated value of labour yielding no return	5,098 14 2	4,510 3 2
Estimated value of bricklaying work and stone quarried	3,340 14 1¾	4,164 16 8
Washing and repairing (General Penitentiary)	1,375 8 7	895 11 1

The new works in progress during the year under convict labour supervised by master tradesmen, were 20 additional cells to be provided for female prisoners at the General Penitentiary, and 200 additional cells at the St. Catherine District Prison, the bricks and lime being supplied by the General Penitentiary. These works are still progressing.

Sixteen prisoners died in the General Penitentiary; of these two were prisoners who were in ill health when they were admitted, and one an infant, the offspring of a female prisoner. The death rate at this institution, based on a daily average population of 542 prisoners, was 29·52 per 1,000.

The male prisoners in each of the prisons pursued their usual occupations, which include brickmaking, lime burning, and quarrying, and the female prisoners of washing and repairing clothing for the prisons and other public institutions and private individuals.

Religious services have been conducted regularly at the General Penitentiary by the chaplains of the various denominations

attached to the institution, and in the St. Catherine, Hanover, and Falmouth District Prisons, and the Middlesex and Surrey County Gaol. Provision is not made at the short term prisons at Port Antonio, and Black River for regular religious ministration, but prayers are read by the prison officers.

School was held regularly at the General Penitentiary, the St. Catherine, and the Falmouth, District Prisons.

The discipline at all the prisons has been well maintained.

The mark system in force at the General Penitentiary continues to work satisfactorily.

Vital Statistics.

The total estimated population on the 31st March 1893 was 660,282, and the mean population for the year under notice is estimated at 655,595. It is on this estimate that the marriage, birth, and death rates are calculated.

The increase by excess of births over deaths for the year was 10,758, or 16·8 per 1,000 persons living, against a rate of 15·6 for the preceding year.

The number of marriages recorded during the year was 3,349, being 5·1 per 1,000 of the population, and a decrease of 56 marriages compared with the year 1891–92, when the rate was 5·2 per 1,000.

The percentage of illiterate persons married was 52·6, being a slight decrease when compared with previous years.

The births registered numbered 24,475, showing a decrease of 269, when compared with the figures of the preceding year, and a rate of 37·3 per 1,000 of the population.

Of the 24,475 births registered 14,724 were illegitimate, the proportion per each 100 births being 60·1.

13,717 deaths were recorded during the year, the rate per 1,000 of the population being 20·9.

The total number of births in the Cayman Islands was 198, of deaths 51, and of marriages 39.

General.

The general prosperity of the Colony during the year under review has been fully maintained, as is shown by the Trade and Stamp returns; and important steps have been taken towards insuring its future progress; the large rivers of Portland, whose sudden floods after heavy rain made travelling in that parish so dangerous, have all been bridged. Several bridges have been constructed in the parishes of St. Mary and St. Thomas, and of the 89 bridges authorised to be built by Law 20 of 1892 one has been finished, 10 begun, and the plans completed and iron work ordered for two important bridges, one of 250 feet span, and one of 100 feet.

955 miles have been taken over from the parochial roads, and added to the main road system at the cost of 181,183*l.*, thus increasing the mileage of driving roads under the Public Works

Department to 1,782 miles. When we add to this number 2,322 miles of driving roads still maintained by the parochial boards and 1,963 miles of bridle roads, with the rapid extension of the railway from the port of Kingston on the south-east coast to Montego Bay, on the north-west, a weekly coastal steamer service from port to port round the island, and a complete system of mail coaches, it will be seen that for internal means of communication Jamaica compares favourably with any island of its size in the world.

I emphasize these matters because abundant means of communication and cheap and ready access to the ports are of the first importance to small capitalists who may be induced to try their fortune in the Island, or to wealthy investors whose attention may be turned to a Colony whose soil, climate, and social condition offer many inducements for secure investment of capital.

The post office and telegraph systems are being steadily extended, there being now 107 post offices and 69 telegraph stations. The postal order system established in 1890 has rapidly developed, orders to the amount of 20,393*l.* have been issued during the year under review. These postal orders are payable at all parochial treasuries, and at the offices of assistant collectors of taxes as well as by district post-masters. They are found to be most convenient.

The consolidation of the quarantine laws, and the importation of the most approved form of disinfecting chamber, which has been erected at the excellent lazaretto at Green Bay, places the Government in a favourable position to combat the possible introduction of disease from outside, so far as efficient resistance may be hoped for from quarantine regulations. The question of internal sanitation has not been forgotten, and several parochial boards have made praiseworthy efforts to improve the sanitation of their districts. The Medical Department have made timely arrangements to meet the possible introduction of cholera by laying in a large supply of necessary drugs and disinfectants and arranging for the immediate forwarding of any further supply that might become necessary.

On the general question of sanitation, the drainage of Kingston, and removal of the sewage to the sea, where it can no longer pollute any portion of the fine harbour, with the general reconstruction of the streets, are of great importance. For this work Mr. Chadwick, C.M.G., whose successful drainage works in various parts of the world are so well known in the Colonial Office, has been chosen. He has visited Kingston and completed his plans, and within a few years Kingston will, I hope, rejoice in a perfect system of drainage.

The Victoria Jubilee Hospital, built as a memorial of Her Majesty's Jubilee, partly by subscription partly by grant from public funds, was opened in April, 1892. Besides the benefits of the institution as a maternity hospital, it is being used as a training hospital for midwives, of which the various parishes

stand in sore need. It is hoped that as the numbers of qualified midwives increase the serious infant mortality may be checked.

The passing of elementary and secondary education laws, and placing the management of elementary education under a board of 13 members, with the abolition of school fees, has given a great impetus to education. The details of the report show a large increase in the number of schools and scholars, and a corresponding increase of 15,843*l.* spent upon education. The board of education have framed a code under which exceptional advantages are promised to teachers whose pupils can pass an examination in elementary practical agriculture. This proviso may be productive of most excellent results.

Having recapitulated the steps taken by the Government during the year under review to pave the way for the moral and material progress of the people, it remains to be seen what the people have endeavoured to do for themselves, either individually or through their local representatives in the parochial boards; and no unprejudiced man can withhold a full meed of acknowledgment of the practical energy shown throughout the Island. Of the 13 chief towns of the parishes nine have already established water works, imposing upon themselves local rates for the purpose. In one the works are in progress, and of the remaining three, one has all but completed the necessary arrangements, and two are prevented by exceptional engineering difficulties. Excellent markets with every necessary accommodation have been, and are still being, erected in the various parishes.

Among the people the valuable lessons taught by the Jamaica Exhibition of 1891 have begun to bear fruit. The value of co-operation has been demonstrated, and local capitalists have invested large sums in two companies formed to push more vigorously the fruit trade of the Island. A new building society has been added to those existing before, and are all doing prosperous business. An agricultural society has been formed in one of the parishes, and a proposal is under consideration for the formation of a local agricultural loan bank. All this points to a beginning of activity and effort.

Nor have the people individually been backward. A request has been received for the services of a trained instructor to teach the cultivators of one of the central districts how to improve the preparation of their cocoa, and arrangements have been made by the Botanic Department to meet their wishes. Dairy farming has begun, and promises to become a large and paying industry that will materially increase the value of grazing pens. A large number of cheap and effective labour-saving, steel sugar-mills, of a kind exhibited at the exhibition, have been imported and purchased by small sugar-growers, replacing the old and wasteful wooden "John Crow" Mills, reducing to a vanishing point the accidents to incautious attendants hitherto common, and enabling the owners to grow remunerative corps for local consumption.

Several inquiries have been made by small owners for the sisal plants imported by my direction, as reported in my last Blue Book;

Report. To these inquiries I have discouraged the undertaking of sisal cultivation until it was demonstrated that the soil and climate were suitable. Colonel Ward, C.M.G., a wealthy gentleman, ever ready to venture any experiment that may assist the progress of the Island, has made a large plantation on the plains of Vere, and I am informed that these plants, as well as those planted in the Botanic Gardens, have grown extremely well.

These plants are of the same kind as those planted, by my advice, in the Bahamas in 1885–86, the cultivation of which has since grown to such large proportions in that Colony. My observation shows me that we have in Jamaica a far larger area of suitable land than exists in the Bahamas, while the expense of getting the fibre to the port of export will be much less. I am of opinion that the cultivation will be largely extended in the near future, and will be a most valuable addition to the products of Jamaica. These facts justify the financial instinct of the London money-market, in which Jamaica 4 per cent. stock holds a position inferior only to that of Canada and the Cape.

I have received many letters asking for information as to the climate, soil and possibilities of Jamaica from intending settlers with moderate capital. These inquiries have been answered by the Secretary of the Jamaica Institute, who had a list of several owners of sugar and other estates who have stated their readiness to employ for a time intending settlers with capital, on conditions to be settled between the parties. This is for the purpose of enabling such people to learn something practically of the country before they proceed to invest their capital. I understand that the system is being tried in one or two cases.

With the exception of an epidemic of influenza of a mild type, the health of the community has been good. The climate is excellent for such Europeans as realize that in the tropics alcohol is not a cooling drink. The vital statistics speak for themselves, and in considering them it must always be remembered that in a black population the mortality of young children is always abnormally high.

The beauty of the island and its value as a health resort is now becoming widely known on both sides of the Atlantic; and as an instance of the law-abiding character of the people, the police reports show that in the parish of St. Catherine, containing a population of 65,000, and including the old capital, Spanish Town, with 5,000 inhabitants, there was not, during the Christmas week of 1892, a single person in custody for disorderly conduct or common assault. In this resumé of the general condition of the Island I hope I have demonstrated to those who may take an interest in the Colony the solid progress made in the immediate past and the great possibilities in store for the future.

King's House,
27th December, 1893.

HENRY A BLAKE,
Governor

COLONIAL REPORTS.—ANNUAL.

No. 112.

LEEWARD ISLANDS.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 77.)

Presented to both Houses of Parliament by Command of Her Majesty.
August 1894.

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1894.

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COLONIAL REPORTS.

The following, among other Reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page :—

ANNUAL.

No.	Colony.	Year.
76	Bahamas	1892
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,
108	St. Vincent	,,
109	Gibraltar	,,
110	Bahamas	,,
111	Turks and Caicos Islands	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 112.

LEEWARD ISLANDS.

(For Report for 1892, *see* Colonial Report [Annual] No. 77.)

Sir W. F. HAYNES SMITH to the MARQUESS of RIPON.

Government House, Antigua,
MY LORD, June 11, 1894.

I HAVE the honour to transmit to your Lordship the Blue Book of the Leeward Islands for the year 1893, accompanied by the full report of the Colonial Secretary.

I have, &c.
(Signed) W. F. HAYNES SMITH.

Colonial Secretary's Office, Antigua,
SIR, May 28, 1894.

I HAVE the honour to transmit to your Excellency my Report on the Returns forming the Blue Book of the Leeward Islands Colony for the year 1893.

The Customs statistics have been prepared and classified, as far as has been found possible, in accordance with the recommendations of the Committee appointed in 1891, to inquire into the compilation of Import and Export statistics in the Colonies, and to facilitate reference I have added an index.

I have, &c.
(Signed) FRED. EVANS,
Colonial Secretary.

His Excellency
Sir W. F. Haynes Smith, K.C.M.G.,
&c. &c. &c.

LEEWARD ISLANDS. 1893.

REVENUE.

The revenue yielded 137,010*l.*; a sum of 5,538*l.* more than was received in 1892, but 3,807*l.* less than the amount estimated for. The following table gives the figures for each Presidency.

Presidency.	Estimated 1893.	Actual Receipts.	
		1893.	1892.
	£	£	£
Antigua - -	51,794	50,881	52,551
St. Kitts-Nevis - -	48,354	53,859	47,231
Dominica - -	24,695	22,347	22,716
Montserrat - -	8,547	8,371	7,609
Virgin Islands - -	1,889	1,552	1,365
Total - -	135,279	137,010	131,472

For Antigua, a smaller revenue than that of 1892 was anticipated, but it was thought that the estimate would have been fully realised, that it was not is due to the non-receipt during the year of contributions from other Presidencies for the maintenance of lunatics and prisoners. The Customs and Excise receipts were both less than those of the previous year, the first 482*l.* and the latter 705*l.*, but they were respectively 1,215*l.* and 705*l.* in excess of the estimates. In the tonnage dues there was a falling off of 376*l.* On the other heads the revenue was maintained.

In St. Kitts-Nevis, a revenue (53,859*l.*) 5,505*l.* in excess of the estimate and 6,628*l.* more than that of 1892 was obtained, but it includes an advance of 3,689*l.* repaid to General Revenue from loan funds under Ordinance No. 6 of 1893. There was an increase of 1,386*l.* in the receipts, under Excise, and of 791*l.* under the statistical tax imposed by Ordinance No. 13 of 1892.

There were small losses on some of the heads of revenue, which were compensated for by gains on other heads.

Dominica, although only 369*l.* short of its 1892 revenue, failed to reach the estimate by 1,348*l.* The amount realised was 22,347*l.*, and the amount estimated 24,695*l.* Under Customs, there was a deficiency of 1,116*l.*, which is attributed to the stoppage of the expenditure upon Public Works, and to the prevalence of smuggling. The House and Land tax receipts were 410*l.* less

than n the previous year. Under Excise, there was an increase of 794*l.*, and under liquor and still licenses an increase of 233*l.*

In Montserrat, although the estimated revenue (8,547*l.*) was not fully secured, an amount (762*l.*) in excess of the 1892 receipts (7609*l.*) was obtained. There was an increase of 453*l.* in the Customs receipts and of 239*l.* in the amount received as Excise.

In the Virgin Islands, there was an increase of 187*l.* over the receipts of 1892 (1,365*l.*). The increase was received under tonnage (98*l.*) and Land Tax (84*l.*) and is the outcome of the legislation of the previous year.

EXPENDITURE.

The expenditure was 138,260*l.* It exceeded the amount provided in the estimates for the year by 4,684*l.*, and the disbursements of the previous year by 6,515*l.* For these excesses, St. Kitts and Domnica are responsible, the former having expended 8,621*l.*, more than the estimate, and 5,469*l.* more than in 1892, and the latter having similarly spent 1,622*l.* and 3,743*l.*

In Antigua, the expenditure was only 93*l.* in excess of the amount estimated, and only 297*l.* more than in 1892; in Montserrat the amount spent was 497*l.* less than was estimated, and only 50*l.* in excess of the 1892 disbursements; in the Virgin Islands there was 244*l.* less spent than in 1892, and 155*l.* saved on the estimate.

In Dominica and in the Virgin Islands, the expenditure was not covered by the receipts, but in the other Presidencies the revenue was in excess of the disbursements.

Presidency.	Estimated 1893.	Actual Expenditure.	
		1893.	1892.
	£	£	£
Antigua - - -	50,777	50,870	50,373
St. Kitts-Nevis - -	48,354	51,975	46,506
Dominica - - -	24,196	25,818	25,075
Montserrat - -	8,379	7,882	7,832
Virgin Islands - -	1,870	1,715	1,959
Total - -	133,576	138,260	131,745

Presidency.	Revenue. 1893.	Expenditure. 1893.	Revenue. Over Expenditure.	Revenue. Under Expenditure.
	£	£	£	£
Antigua - - -	50,881	50,870	11	—
St. Kitts-Nevis - -	53,859	51,975	1,884	—
Dominica - -	22,347	25,818	—	3,471
Montserrat - -	8,371	7,882	489	—
Virgin Islands -	1,552	1,715	—	163
Total -	137,010	138,260	2,384	3,634

The charges on account of the Public Debt were increased by 2,104*l.*, and there was an increase of 2,694*l.*, under education. The amount under Hospitals was reduced by 2,637*l.*, a saving having been made in each Presidency, but principally at St. Kitts. On public works of the ordinary and recurrent kind there was increased expenditure to the extent of 2,365*l.*, all but 800*l.* of this increase having occurred at St. Kitts.

By an analysis of the expenditure, I find that the general administration of the Colony cost 3,319*l.*; the collection of the revenue and audit, 9,022*l.*; the administration of justice, 9,624*l.*; and the punishment and suppression of crime, 13,212*l.* On medical and charitable relief there was expended 25,406*l.*; and on education, 14,324*l.* Post Offices, telegraphs, and telephones cost 9,021*l.*; steam communication and transport generally, 3,937*l.*,; and the ordinary and recurrent Public Works, 17,600*l.*

There was out of the year's receipts (137,010*l.*) a sum of 40,614*l.* directly returned to the people in medical and charitable relief, education, public libraries, &c

PUBLIC DEBT.

The sinking funds for the ultimate extinction of the Antigua Immigration (5171*l.*) and New Reservoir (12,200*l.*) loans, raised

under local Acts, were increased during the year by 234*l.* and 444*l.* respectively. The debt of 8,800*l.* due to the St. John's Savings Bank was reduced by 100*l.* The Wallings Reservoir loan (25,000*l.*) remains at 14,000*l.* as raised locally the expenditure on this work during 1893 having been met from current revenue and by advances, pending the raising of an authorised loan of 100,000*l.*

The usual accretions to the sinking funds were received by the St. Kitts-Nevis loans. For the sum of 5,500*l.* raised out of an authorised loan of 6,000*l.* for improving the town of Basseterre there is no sinking fund, as the Commissioners appointed to carry out the improvements will recover the amount by the sale of the valuable land at their disposal.

To the sinking funds for the ultimate extinction of the loans raised by Dominica and Montserrat the usual contributions were made.

PUBLIC WORKS.

The ordinary and recurrent expenditure upon Public Works was 14,969*l.*, and of this sum more than half was spent upon the repairs and maintenance of roads, streets, and bridges. The expenditure exceeded that of 1892 by 2,364*l.*, and the amount provided during the year by 313*l.*

The exceptional expenditure was only 1,800*l.* as against 20,623*l.* in 1892. It included 735*l.* for quarantine stations in Dominica; 251*l.* for repairs to the Roseau Embankment; and 503*l.* for repairs to the Court House at St. Kitts.

Details are appended.

	Recurrent Expenditure.			Exceptional Expenditure 1893.
	Spent 1892.	Provided 1893.	Spent 1893.	
	£	£	£	£
Antigua	5,381	6,061	5,729	—
St. Kitts-Nevis	4,207	4,709	5,767	605
Dominica	2,220	3,300	2,632	1,053
Montserrat	738	546	784	90
Virgin Islands	59	40	57	52
Total	12,605	14,656	14,969	1,800

	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
	£	£	£	£	£	£
Repairs to Public buildings	572	479	349	43	42	1,485
Repairs to Roads and Bridges	3,258	3,010	1,744	611	15	8,638
Water Works	1,016	403	105	66	—	1,590
Fire Brigade	63	305	—	—	—	368
Burial Grounds	262	213	16	9	—	500
Government Houses and Grounds	248	18	6	—	—	272
Botanical Stations	225	175	297	55	—	752
Other Works	85	1,164	115	—	—	1,364
Total	5,729	5,767	2,632	784	57	14,969

The work of the Antigua Botanical Station was carried on actively during the past year. Besides the ordinary sale of plants, a large rockery was added to the station and stocked with valuable succulents from Kew. A series of manurial plots were laid out with different kinds of vegetables, &c. The number of sisal plants in the nurseries was largely increased.

In St. Kitts, the work was somewhat interfered with by the change of curator. The many plants put in the grounds are beginning to show. Very large plant sheds were erected and stocked with ornamental and economic plants, and the station, now in its second year, is rapidly assuming shape.

The Botanical Station in Dominica has proved its usefulness by the very great number of economic plants sold, over 22,000 having been sent out during the year, principally in small lots. This increased demand for plants has taxed the resources of the station to the utmost. An extra grant of 50*l.* has been made for the work of the current year.

The small Botanic garden in Montserrat was slightly enlarged, and new walks and seats were added. The station was without a curator for a good part of the year, and not much progress can be reported.

Legislation.

The General Legislative Council met at Antigua on the 7th December, 1893, and adjourned on the 8th to the 4th January of the present year. One Act only was passed. This empowered the Governor to declare by Proclamation any prison to be closed, and authorised the delegation of the powers to order removals of prisoners.

The local Councils of each Presidency met frequently and at various times throughout the year. The Antigua Council passed five Acts which received assent, the St. Kitts-Nevis Councils six, the Dominica Assembly and the Montserrat Council four each and the Virgin Islands Council one. Of these 20 Acts, 17, or all but three, had reference to the fiscal necessities of the several Presidencies.

The remaining three provided (a) for a Public Market in the town of Parham, Antigua; (b) for the prevention of the spread of the swine epidemic in Antigua; and (c) for the conferring certain powers on the Commissioner appointed by Her Majesty to make inquiry into the affairs of the Island of Dominica.

Civil Establishment.

The Chief Justice (Sir Henry Wrenfordsley), who went on leave of absence on the 1st of June, 1893, did not return during the year. In his absence, the first Puisne Judge (Mr. Thomas Baynes) acted as Chief Justice, and the Solicitor-General (Mr. C. H. Beard) acted as Judge.

Mr. Oliver Smith, M.A., was appointed Attorney-General *vice* Mr. C. G. Walpole, promoted to the Chief Justiceship of the Bahamas.

The Treasurer of Antigua (Mr J. F. Wylde) was pensioned, his office being filled by the promotion of Mr. Auchinleck, the Treasurer of St. Kitts, whose place was taken by Mr. James Burns, the harbour master and landing surveyor of Antigua.

Mr. F. S. Wigley acted as Commissioner of St. Kitts, during the absence on leave of Captain J. S. Churchill, from the 1st May to 9th November, 1893. In Dominica the Magistracy of district F., which was held by Mr. Le Hunte, in conjunction with his appointment as Commissioner, was made a separate office to which Mr. Roper was temporarily appointed. Mr. Garraway, the Postmaster, succeeded Mr. Roper, and Mr. F. S. Fadelle replaced Mr. Garraway. Mr. W. Skinner and Mr. F. Green were respectively appointed Headmaster and Superintendent of the Grammar and Industrial Schools opened at Roseau during the year.

There were other appointments of a minor character made during the year.

PENSIONS.

There was a net increase of 253*l.* 0*s.* 4*d.* in the amount of the pension list at the end of the year. By the death of pensioners, it was reduced by 245*l.* 14*s.* 5*d.* and by new awards it was increased by 498*l.* 14*s.* 9*d.* The list is made up as follows :—

	£	*s.*	*d.*
Federal Police pensions	195	9	2
Other Federal pensions	798	11	6
Antigua pensions	994	12	4
St. Kitts-Nevis pensions	2,016	0	11
Dominica pensions	591	19	1
Montserrat pensions	132	19	1
Virgin Islands pensions	134	16	2

A sum of 4,864*l.* 8*s.* 3*d.* is thus annually payable by the Colony.

POPULATION.

There were 1,742 more births than deaths registered in 1893, and without having regard to migration, as to which there are no records, the population is thus increased from 129,591, at the end of 1892, to 131,333 at the end of 1893.

In Antigua, the population appears to remain almost stationary, but in the other islands a gradual and steady increase is shown. In the number of marriages celebrated during the year, an increase is shown by the return of each island, except that of Antigua, where the number is less by 35 than in 1892, and lower than it has been for some years.

Out of the 5,407 births recorded, no less than 3,128 or 57·8 per cent. were illegitimate.

	Population.		Births.	Deaths.	Population on 31st December 1893.	Marriages 1893.
	1891.	1892.	Since registered.			
Antigua	36,380	36,116	1,480	1,377	36,219	166
Barbuda	582	582	39	19	602	8
Redonda	120	120	—	—	120	—
St. Kitts	31,243	31,366	1,386	998	31,754	194
Nevis	13,163	13,394	663	386	13,671	109
Anguilla	3,699	3,728	142	32	3,838	17
Dominica	27,073	27,397	963	516	27,844	77
Montserrat	11,755	12,072	532	266	12,338	67
Virgin Islands	4,719	4,816	202	71	4,947	24
Colony	128,734	129,591	5,407	3,665	131,333	662

	Births.			Deaths.		
	1891.	1892.	1893.	1891.	1892.	1893.
Antigua	1,413	1,251	1,480	1,338	1,515	1,377
Barbuda	37	—	39	30	—	19
St. Kitts	1,425	1,317	1,386	1,237	1,194	998
Nevis	622	581	663	450	350	386
Anguilla	138	9	142	103	63	32
Dominica	838	826	963	510	502	516
Montserrat	485	504	532	403	187	266
Virgin Islands	190	166	202	92	69	71
Colony	5,148	4,737	5,407	4,163	3,880	3,665

EDUCATION.

During the year, the number attending primary schools has once more steadily increased, the numbers on the registers rising from 21,507 to 23,124, an increase of 1,614, and the average attendance going up from 10,188 to 11,439, an increase of 1,251.

These numbers would have been greater had it not been for the impossibility, owing to the want of sufficient accommodation in many districts, of carrying out the provisions of the Compulsory Education Act to the fullest extent desirable. In the last five years, the number of the children on the rolls has been nearly doubled, while the average attendance is rapidly advancing to the same point. The number of children examined in 1893 was 9,498, as against 6,391 in 1892.

The private schools in the compulsory districts have been subjected to strict supervision, and have been registered in accordance with Act No. 7 of 1891.

Technical education has occupied the attention of the Legislatures, and votes for that purpose have been passed in Antigua and Montserrat.

Large sums for the enlargement of, and improvement of, the school buildings have been given to Managers in St. Kitts and Nevis.

A Grammar School was opened in Dominica at the commencement of the year and has met with great success. In the same island, an industrial school for Roman Catholic boys was established.

By the admission of 27 boys during the year, the total number of boys passed into the training school at Skerretts since its opening in June, 1891 reached 206. Of this total, 46 per cent. were sent to the school for theft, instead of being committed to prison, and 40 per cent. were homeless. On admission 70 per cent. could neither read nor write, ten per cent. knew the alphabet, eight per cent. could read and write imperfectly, and the remaining 12 per cent. were able to read and write well. At the end of 1893, there were 163 boys remaining, 21, who were Roman Catholics having been transferred to the industrial school opened at Roseau, Dominica, in January, 1893, for the boys of this religion, eight having been discharged, and 14 having died. The cost per head is about 10*d.* a day. In addition to tailoring, cooking, &c. and looking after a stock farm, consisting of 18 horses, 55 cattle, 58 pigs, and 17 sheep, the boys are engaged in cultivating about 100 acres of land. They are drilled almost daily and have a fixed number of hours set apart for school. A fife and drum and a brass band have been formed from among the boys. In the school at Roseau, Dominica, there were 27 boys at the end of 1893, eight were admitted in addition to the 21 sent from Antigua, one was discharged and one was sent back to the Antigua School. About 30 acres of land were brought into cultivation, three acres were planted in cocoa, about nine acres in limes and about three acres in oranges. Other land is being planted experimentally. There were no deaths during the year.

The training school for girls at Scotts Hill, Antigua, received 24 girls during the year, bringing the total to 49. There was one death, and 6 were discharged. Of those admitted, 18 could neither read nor write.

IMPORTS AND EXPORTS.

The Imports and Exports were valued at 1,025,174*l.*, the trade being distributed as follows:—

Countries.	Imports from	Exports to	Total Trade.
	£	£	£
United Kingdom	224,623	59,538	284,161
British North America	26,467	44,048	70,515
Barbados	21,262	2,892	24,154
Other British Colonies	2,919	1,125	4,044
United States of America	154,009	406,961	560,970
Other Foreign Countries	11,599	27,540	39,139
	440,879	542,104	982,983
Islands of the Colony	20,006	22,185	42,191
Total	460,885	564,289	1,025,174

To meet as far as possible the recommendations made by the Committee appointed in 1891 to inquire into the compilation of Import and Export Statistics in the Colonies, certain percentages to represent the cost of freight, insurance and packages, have been added to the invoice value of the various entries of import. A memorandum showing the percentages allowed will be found with the returns in the Blue Book.

Classified in accordance with the recommendations of the Committee above-mentioned, the trade was made up as shown hereunder:—

Articles.	Imports.	Exports.	Total.
	£	£	£
Live animals	6,914	4,012	10,926
Food	157,154	521,643	678,797
Drink	13,333	5,786	19,119
Narcotics	3,943	581	4,524
Raw materials	18,613	4,130	22,743
Manufactured textile articles	94,843	644	95,487
„ metal articles	33,501	341	33,842
Other manufactures	104,548	4,558	109,106
	432,849	541,695	974,544
Islands of the Colony	18,476	22,185	40,661
Coin and bullion	9,560	409	9,969
Total	460,885	564,289	1,025,174

Particulars as to the value of the trade of each island under specified heads, and as to the countries with which such trade took place, are given in the six following tables.

IMPORTS.

Countries.	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
	£	£	£	£	£	£
United Kingdom - - -	89,217	88,967	34,008	12,125	306	224,623
British North America - - -	9,610	14,317	595	1,945	—	26,467
Barbados - - - -	5,457	2,745	9,686	3,311	63	21,262
Other British Colonies - -	1,011	1,269	489	150	—	2,919
United States of America - -	64,666	72,532	13,038	3,560	213	154,009
Other Foreign Countries - -	1,140	2,961	4,048	291	3,159	11,599
Total - - - -	171,101	182,791	61,864	21,382	3,741	440,879
Islands of the Colony - -	7,830	1,401	2,688	7,943	144	20,006
Total - - - -	178,931	184,192	64,552	29,325	3,885	460,885

Exports.

Countries.	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
	£	£	£	£	£	£
United Kingdom - - -	1,844	20,588	26,428	10,678	—	59,538
British North America - -	21,070	17,392	1,574	4,012	—	44,048
Barbados - - - -	430	635	1,701	126	—	2,892
Other British Colonies - - -	374	602	81	68	—	1,125
United States of America - -	159,604	213,594	19,283	14,480	—	406,961
Other Foreign Countries - -	4,311	15,577	2,566	992	4,104	27,540
Total - - - -	187,633	268,388	51,623	30,356	4,104	542,104
Islands of the Colony - -	12,237	5,411	2,129	2,359	49	22,185
Total - - - -	199,870	273,799	53,752	32,715	4,153	564,289

Imports.

Articles.	United Kingdom.	British North America.	Barbados.	Other British Colonies.	United States of America.	Other Foreign Countries.	Total.
	£	£	£	£	£	£	£
Live animals	859	751	652	118	4,113	421	6,914
Food	17,786	18,191	11,024	721	105,602	3,830	157,154
Drink	9,784	237	1,256	343	177	1,536	13,333
Narcotics	315	—	2	52	3,307	267	3,943
Raw materials	1,757	4,680	622	6	10,614	934	18,613
Manufactured textile articles	90,282	902	1,253	68	1,982	356	94,843
„ metal articles	31,134	45	498	69	1,303	452	33,501
Other manufactures	64,703	1,661	5,925	1,542	26,911	3,806	104,548
Total	216,620	26,467	21,232	2,919	154,009	11,602	432,849
Islands of the Colony	—	—	—	—	—	—	18,476
Coin and bullion	5,000	—	30	4,530	—	—	9,560
Total	—	—	—	—	—	—	460,885

EXPORTS.

Articles.	United Kingdom.	British North America.	Barbados.	Other British Colonies.	United States of America.	Other Foreign Countries.	Total.
	£	£	£	£	£	£	
Live Animals - - -	273	—	274	95	—	3,370	4,012
Food - - - -	52,412	43,686	1,562	771	403,243	19,969	521,643
Drink - - - -	4,051	35	—	5	48	1,647	5,786
Narcotics - - - -	3	—	—	—	—	578	581
Raw materials - - -	32	1	780	10	2,655	652	4,130
Manufactured textile articles -	49	—	170	1	—	424	644
„ metal articles -	68	200	32	—	6	45	341
Other manufactures - -	2,653	126	84	35	1011	649	4,558
Total - - - -	59,541	44,048	2,892	917	406,963	27,334	541,695
Islands of the Colony -	—	—	—	—	—	—	—
Coin and bullion - - -	—	—	200	—	—	209	409
Total - - -	—	—	—	—	—	—	564,289

IMPORTS.

Articles.	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
	£	£	£	£	£	£
Live animals - - - -	2,648	4,075	68	123	—	6,914
Food - - - - -	67,575	65,957	16,691	4,694	2,237	157,154
Drink - - - - -	5,611	4,587	2,501	585	49	13,333
Narcotics - - - -	1,881	951	946	154	11	3,943
Raw materials - - - -	7,295	8,052	2,302	852	112	18,613
Manufactured textile articles -	26,946	43,253	16,505	7,727	412	94,843
,, metal articles - -	14,364	11,971	4,889	2,135	142	33,501
Other manufactures - - -	41,781	43,945	12,962	5,082	778	104,548
Total - - - - -	168,101	182,791	56,864	21,352	3,741	432,849
Islands of the Colony - -	7,830	1,401	2,688	6,413	144	18,476
Coin and bullion - - -	3,000	—	5,000	1,560	—	9,560
Total - - - - -	178,931	184,192	64,552	29,325	3,885	460,885

EXPORTS.

Articles.	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total
	£	£	£	£	£	£
Live animals - - - -	402	158	125	278	3,149	4,012
Food - - - - -	186,191	261,341	44,314	29,333	464	521,643
Drink - - - - -	13	5,685	88	—	—	5,786
Narcotics - - - -	—	47	531	3	—	581
Raw materials - - -	23	291	3,432	26	358	4,130
Manufactured textile articles -	166	35	443	—	—	644
,, metal articles -	217	—	85	18	21	341
Other manufactures - -	421	831	2,496	698	112	4,558
Total - - - -	187,433	268,388	51,414	30,356	4,104	541,695
Islands of the Colony -	12,237	5,411	2,129	2,359	49	22,185
Coin and bullion - -	200	—	209	—	—	409
Total - - - -	199,870	273,799	53,752	32,715	4,153	264,289

LEEWARD ISLANDS. 1893.

Nearly $\frac{5}{6}$ths of the trade of the Colony was with the United Kingdom and the United States of America, the value of that with the latter country being twice that of the trade with the former country. Half the imports came from the United Kingdom; while $\frac{4}{5}$ths of the exports went to the United States. The figures are given in the first table. To make a fair comparison between the value of the import trade in 1893, and that of any previous year, it would be necessary to add to the returns of the past the percentage allowances made in the statistics of the year under review, but as there would be no adequate result for the great amount of the time required in thus treating in their entirety the statistics of any past year, I have only selected for comparison those imports of the year 1892 which show the highest total values, and to those I have added the same percentages given in 1893 returns. The comparative tables are appended.

United Kingdom.

Articles.	1893.	1892.	Increase or Decrease in 1893.	
			Increase.	Decrease.
	£	£	£	£
Rice	6,818	8,348	—	1,530
Spirits	5,170	6,749	—	1,579
Cottons, woollens, linen	66,044	74,458	—	8,414
Haberdashery and millinery	36,743	33,595	3,148	—
Hardware	19,167	23,959	—	4,792
Sugar machinery	12,770	8,772	3,998	—
Boots and shoes	8,869	10,571	—	1,702
Manures	19,044	15,948	—	3,096
Packages	5,497	3,178	2,319	—
Soap and tallow	4,771	4,764	7	—

United States of America.

Articles.	1893.	1892.	Increase or Decrease in 1893.	
			Increase.	Decrease.
	£	£	£	£
Flour	57,854	59,240	—	1,386
Meal	12,199	13,384	—	1,185
Corn	10,455	11,789	—	1,334
Oleomargarine	4,527	2,076	2,451	—
Pork	17,429	17,910	—	481
Pitch-pine	7,221	5,924	1,297	—
White pine and spruce	7,144	8,182	—	1,038
Oil meal and oilcake	8,138	8,029	109	—
Shooks	5,065	3,779	1,286	—

From the above, it will be seen that, while there was a considerable falling off in the value of the cottons, woollens, linens, hardware, and manures imported from the United Kingdom, there was an increase in the imports of haberdashery, millinery, and sugar machinery. From the United States, we appear to have received the usual imports without much variation. In the value of the imports received from British North America and Barbados there was a falling off. With regard to the export trade, I append tables which show the values of the principal articles exported to the United Kingdom and to the United States of America.

Exports to the United Kingdom.

Articles.		1893.	1892.	Increase or Decrease in 1893.	
				Increase.	Decrease.
Cocoa	£	13,382	7,857	5,525	—
	lbs.	651,297	397,911	253,886	
Limes and lime juice	£	16,983	12,639	4,344	—
Sugar	£	18,748	32,800	—	14,052
	tons.	1,269	3,082	—	1,813
Rum	£	4,051	7,189	—	3,138
	Galls.	77,753	132,884	—	55,131

Exports to the United States of America.

Articles.		1893.	1892.	Increase or Decrease in 1893.	
				Increase.	Decrease.
Limes and lime juice	£	6,479	55	6,424	—
Sugar	£	390,493	367,082	23,411	—
	Tons.	31,275	32,387	—	1,112
Molasses	£	3,806	3,061	745	—
	Puns.	1,243	1,061	182	—

The total value of the exports to the United Kingdom and to the United States is returned at 59,538*l.*, and 406,961*l.* respectively, and in the above tables the exports are detailed for each country to the value of 53,164*l.*, and 400,778*l.* respectively. The total value of the exports to British North America was 44,048*l.*; it was made up of sugar to the value of 25,140*l.*, and of molasses valued at 17,162.

That the trade between the several islands of the Colony has developed, fostered as it has been by the increased facilities for communication by the subsidized steamer "Tyne," will be apparent on reference to the following table.

Imports to.				Presidency.	Exports from.			
1890.	1891.	1892.	1893.		1893.	1892.	1891.	1890.
£ 8,272	£ 7,368	£ 8,210	£ 7,830	Antigua - - - -	£ 12,237	£ 5,894	£ 5,697	£ 4,416
1,341	1,333	710	1,401	St. Kitts-Nevis - - - -	5,411	6,410	6,388	7,147
1,403	2,608	2,538	2,688	Dominica - - - -	2,129	2,527	1,531	1,669
2,708	3,007	4,084	7,943	Montserrat - - - -	2,359	2,785	1,835	808
151	615	234	144	Virgin Islands - - - -	49	190	78	63
13,875	14,931	15,776	20,006	——	22,185	17,806	15,529	14,103

Gaols and Prisoners.

There were, according to the returns, 1,687 persons received into the six common gaols of the Colony. Of these, one was committed for debt, and 92 for safe custody till trial, or in default of surety. There were, in addition, 49 convicted of offences by the superior courts, 270 peremptorily imprisoned by the magistrates, and 1,275 committed by the magistrates for non-payment of fines. The total was made up of 1,014 men, 671 women, and two juveniles. The number of juveniles admitted has very sensibly diminished since the opening of the training or industrial schools, as these institutions now receive nearly all those who were formerly sent to gaol.

The following table shows the number of prisoners committed to each gaol, but, in addition to the 632 received at Antigua, there were 76 men, and 20 women, transferred to this gaol from the other gaols of the Colony, making the total 728.

Convictions.	Antigua.	St. Kitts.	Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
By Superior Courts	21	17	2	8	1	—	49
By Magistrates -	589	383	75	424	66	8	1,545
	610	400	77	432	67	8	1,594
For five years or more - -	4	—	—	—	—	—	4
For one year or more - -	13	8	2	5	—	—	28
For more than three months -	17	29	—	16	2	1	65
For thre months or less - -	576	363	75	411	65	7	1,497
	610	400	77	432	67	8	1,594
Safe custody, default of surety or debt - -	22	15	7	47	2	—	93
Total - -	632	415	84	479	69	8	1,687

As a large proportion of the short-sentence prisoners are on commitment transferred to Antigua for punishment it is to this gaol, one should look for indications of improvement, and it is satisfactory to find that the daily average number in the gaol has fallen from 135 in 1891, to 116 in the year under review. The Antigua prison, owing to alterations in progress, may be said to be in a state of transition, but when its solitary system is complete, and the proposed structural changes made, there will follow stricter discipline and a still further reduction in the daily average. Eight associated wards were converted into 35 separate confinement cells, each with an air space of 796 cubic feet, and for the floors and ceilings of wood, concrete was substituted.

A wash-house, providing a cell for each woman to perform the prison washing in, was put up, the kitchen was considerably enlarged to enable bread and biscuit to be made for the Public institutions, a warders' mess-room built, the Prison Hospital

LEEWARD ISLANDS. 1893.

improved and quarters for the Assistant Matron erected. A new system of locks was introduced and numerous other improvements were effected. To enable the solitary system to be properly carried out, it will be necessary to provide new quarters for the Keeper and his Assistant. This being done, the prison could be made to contain 160 cells. Then, with an extension of the yard space, there would be required only to make the Prison one which would, I believe, amply and satisfactorily supply all the needs of the Colony, a set of workshops and store-rooms, a Chapel and some accommodation for criminal lepers. The work could be carried out, as all recent alterations have been, by the prisoners and their officers.

In the St. Kitts Prison, as at Antigua, better arrangements were made for the more complete separation of the sexes.

The total number of admissions to the hospital was 87. In Antigua the daily average in hospital was five or 4·3 per cent. of the average number in prison each day, inclusive of the 96 from the other prisons, and in Dominica it was also five, but 15·1 per cent. of the number in prison. In St. Kitts, with a daily average of 23 in prison, the average in hospital was 0·73.

The punishments numbered 1,138 and were less numerous than last year. Three men only received corporal punishment. There were no deaths or escapes, except at Antigua where there were three deaths among the males and one escape. A coroner's inquest was held in each case of death, in one case a verdict of death from debility was recorded, in the other cases diarrhœa. The prisoner (who escaped while at work outside the prison at Antigua) was recaptured.

The Prison Service cost the Colony 4,126*l.* 7*s.* 0*d.*

Under the authority of an Act passed during the year, a Proclamation was issued declaring the prison at Nevis to be closed.

CRIMINAL STATISTICS.

During the year 17,807 cases were reported to the police and of these all but two are stated to have been brought before the Magistrates. The numbers were distributed over the Colony, and the offences divided as shown below.

—	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
Offences against the person - -	1,515	1,926	547	228	27	4,243
Prædial Larceny -	332	263	204	32	2	833
Offences against property other than prædial larceny - -	406	1,073	390	148	27	2,044
Other Offences -	3,527	2,735	4,040	308	77	10,687
Totals - -	5,780	5,997	5,181	716	133	17,807

Including those remaining over from last year, (218), the Magistrates had 18,023 cases in all to deal with and hereunder is given the nature of the cases and the manner of their disposal.

—	Discharged for want of Evidence.	Dismissed on merits.	Convicted.	Committed for trial in Superior Courts.	Undisposed of
Offences against the person -	1,583	1,122	1,582	34	28
Prædial larceny - -	309	128	398	2	4
Offences against property other than prædial larceny - -	886	476	625	43	71
Other offences - -	3,561	2,504	4,620	3	44
Total - - -	6,339	4,230	7,225	82	147

Of the 7,225 persons convicted, 5,513 were fined, 1,189 imprisoned in lieu of fine or surety, 293 peremptorily imprisoned, 24 whipped, and 206 bound over.

The following table details the offence for which there were summary convictions and shows the kind of punishment inflicted for the offences :—

Punishment.	Assaults and offences against the Person.	Malicious Injuries to Property.	Prædial Larceny.	Offences against Property.	Offences against Acts relating to Social Economy.	Offences against Master and Servants Acts.	Other Offences.	Total.
Fine - -	1,163	33	223	394	1,722	298	1,680	5,513
Imprisonment in lieu of fine or surety -	280	14	102	92	152	112	437	1,189
Peremptory imprisonment -	81	2	63	88	19	2	38	293
Whipping -	4	1	10	1	1	—	7	24
Bound over or other trivial punishment -	54	—	—	—	100	—	52	206
	1,582	50	398	575	1,994	412	2,214	7,225

The Judges, in addition to the 82 cases sent to them by the magistrates during the year, had 22 remaining over from 1892, or 104 in all to dispose of. Judgment for the Crown was given in 60 cases, and for the prisoner in 23. Eight cases fell through for want of prosecution or were thrown out by the Grand Jury, and

13 remained to be heard. The nature of the crimes is shown in the following statement.

Nature of the Offences.	Judgment for		Found Insane.	Case fell through.	Not disposed of.	Total.
	Crown.	Prisoner				
Murder (other than wife and children murder) - -	—	1	—	—	1	2
Manslaughter - - -	1	—	—	—	—	1
Attempt at Murder - -	1	2	—	1	—	4
Rape - - - -		—	—	—	—	2
Unnatural Crimes - -	—	1	—	—	—	1
Other offences against the person - - - -	14	5	—	3	1	23
Malicious Injuries to property -	7	3	—	1	1	12
Prædial larceny - -	17	4	—	2	5	28
Other offences against property - - -	16	5	—	1	—	22
Miscellaneous - - -	2	2	—	—	5	9
	60	23	—	8	13	104

The number of the convictions by the magistrates in each Presidency, with the nature of the punishment inflicted, and the Superior Court statistics of the Presidencies, are given hereunder.

Magistrates.

—	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
Fined - -	1,595	2,230	1,434	218	36	5,513
Imprisoned in lieu of fine - -	474	339	328	46	2	1,189
Peremptorily imprisoned - -	114	87	67	21	4	293
Whipped - -	—	9	10	5	—	24
Bound Over -	17	33	126	2	28	206
	2,200	2,698	1,965	292	70	7,225

Judges.

—	Antigua.	St. Kitts-Nevis.	Dominica.	Montserrat.	Virgin Islands.	Total.
Remaining from 1892	16	6	—	—	—	22
Committed for trial 1893	22	41	17	2	—	82
Total	38	47	17	2	—	104
Convicted	22	27	9	2	—	60
Acquitted	8	8	7	—	—	23
Fell through	2	5	1	—	—	8
Undisposed of	6	7	—	—	—	13
	38	47	17	2	—	104

Although the cases reported to the Police in 1893 exceeded those of 1892 by 819, the number of convictions by the Magistrates was less by 466, it was in fact, as the following figures will show, smaller than in any of the previous four years.

—	1893.	1892.	1891.	1890.	1889.
Offences against person	1,582	1,518	680	1,557	1,909
Prædial larceny	398	393	1,533	377	284
Offences against property other than prædial larceny	635	724	960	483	862
Other offences	4,610	5,056	4,828	6,004	5,839
Total	7,225	7,691	8,001	8,421	8,894

In the Superior Courts, there were only 82 cases received from the magistrates for hearing, as against 121 in the previous year; while the number of convictions fell from 78 in 1892, to 60 in 1893.

The appended table exhibits, I think, a commendable absence of serious crime in a Colony of 131,000 inhabitants.

—	1889.	1890.	1891.	1892.	1893.	Total in Five Years.
Murder or attempted murder	1	1	1	3	1	7
Manslaughter	1	2	—	2	1	6
Concealment of birth	1	—	1	2	—	4
Abortion	—	—	—	—	—	—
Rape	1	2	1	3	2	9
Unnatural crimes	—	—	—	1	—	1

—	1889.	1890.	1891.	1892.	1893.	Total in Five Years.
Other offences against the person - -	29	32	40	25	14	140
Malicious injuries to property - -	3	—	13	1	7	24
Prædial larceny -	4	10	17	9	17	57
Robbery with violence -	—	—	3	1	—	11
Other offences against property - -	23	18	31	26	16	114
Miscellaneous offences -	2	4	*35	5	2	48
	65	76	142	78	60	421

* Thirteen cases of unlawful assembly in the Virgin Islands.

Hospitals.

Excluding 135 cases of yaws treated at Dominica in the Yaws Hospital, 3,340 were attended during the year in the various hospitals of the Colony. The deaths numbered 451, the cases completely cured 1,291, and those partially cured or relieved 1,123.

The two tables appended give details :—

—		Remaining at end of of 1892.	Admitted in 1893.	Discharged.			Died.	Remaining at end of 1893.
				Cured.	Relieved.	Not improved.		
Antigua	Male -	69	669	131	409	—	131	67
	Female	58	681	80	449	—	137	73
Cunningham	Male -	42	498	382	52	—	43	63
	Female	56	420	290	54	2	49	81
Pogson	Male -	14	119	68	32	3	13	17
	Female	14	131	72	38	4	17	14
Nevis	Male -	14	50	19	7	1	16	21
	Female	20	47	9	22	—	9	27
Roseau	Male -	15	199	152	30	4	14	14
	Female	7	91	64	19	4	8	3
Montserrat	Male -	25	17	7	3	1	5	26
	Female	37	32	16	8	2	7	36
Virgin Islands	Male -	3	3	1	—	—	1	4
	Female	8	1	—	—	—	1	8
Total - -		382	2,958	1,291	1,123	21	451	454
Yaws (Dominica)	Male -	16	61	59	—	—	—	18
	Female	20	38	44	—	—	—	14
Total - - -		418	3,057	1,394	1,123	21	451	486

	Medical.		Surgical.		Obstructural.		Special senses.	
	Cases.	Deaths.	Cases.	Deaths.	Cases.	Deaths.	Cases.	Deaths.
Antigua	792	254	254	8	157	1	274	5
Cunningham	199	48	610	42	8	—	199	2
Pogson	134	21	78	6	8	—	58	3
Nevis	75	19	31	3	10	—	15	3
Roseau	143	20	105	1	8	—	56	1
Montserrat	105	6	5	5	—	—	1	1
Virgin Islands	14	2	1	—	—	—	—	—
Yaws	—	—	—	—	—	—	135	—
Total	1,462	370	1,084	65	191	1	738	15

Lunatic Asylums.—Sixty-eight males and 70 females were treated as lunatics during the year. There are two asylums which serve for the Colony. Both are in Antigua, one, that at Rat Island, receiving all patients in the first intsance, the other, that at the Ridge, being reserved for convalescents. At Rat Island, 109 patients were treated, of these 12 were discharged cured, and 13 were sent to the Ridge Asylum for observation prior to being discharged. From the Ridge, nine patients were discharged cured. There were 29 deaths at Rat Island and three at the Ridge.

In 1892, nurses trained in the Holberton Hospital were sent to the Asylum to attend upon the sick, and a more liberal diet scale was provided, nevertheless there was no diminution in the death-rate and application was therefore made to the Legislative Council for funds to enable certain alterations being made in the buildings with a view to the improvement of their sanitary condition, and these having been readily granted, the buildings were completely "gutted" and a collection of small ill-ventilated cells converted into five spacious dormitories thoroughly well ventilated.

Rat Island Asylum.

	Antigua.		St. Kitts-Nevis.		Dominica.		Montserrat.		Virgin Islands.		Total.	
	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.
Remaining end of 1892	10	18	6	8	7	10	1	3	4	3	28	42
Admitted in 1893	10	8	5	5	3	4	2	2	—	—	20	19
Total	20	26	11	13	10	14	3	5	4	3	48	61
Sent to the Ridge	3	4	1	2	—	2	—	1	—	—	4	9
Discharged	3	2	2	2	1	1	—	—	—	1	6	6
Died	2	5	4	5	4	5	1	—	3	—	14	15
Remaining end of 1893	12	15	4	4	5	6	2	4	1	2	24	31

The Ridge Asylum.

	Antigua.		St. Kitts-Nevis.		Dominica.		Montserrat.		Virgin Islands.		Total.	
	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.
Remaining end of 1892	10	9	6	3	3	1	1	1	—	—	20	14
Admitted in 1893	3	4	1	2	—	2	—	1	—	—	4	9
Total	13	13	7	5	3	3	1	2	—	—	24	23
Discharged	3	2	—	3	—	1	—	—	—	—	3	6
Died	2	—	—	1	—	—	—	—	—	—	2	1
Remaining end of 1893	8	11	7	1	3	2	1	2	—	—	19	16

Leper Asylums.

There were 40 lepers under treatment in Antigua during 1893. of these, 11 were new cases. Eight died of the disease and two were discharged. One of those who died, a female, was admitted in 1870 and at her death was 56 years of age. In St. Kitts, to the 66 cases remaining at the end of 1892, there were added seven during 1893. There were as in Antigua, eight deaths and two inmates discharged.

Leprosy was the cause of death in four cases only. Details for each asylum are given hereunder.

	Antigua.			St. Kitts.		
	Male.	Female.	Total.	Male.	Female.	Total.
Remaining end of 1892	14	15	29	39	27	66
Admitted in 1893	6	5	11	6	1	7
Total	20	20	40	45	28	7
Discharged	1	1	2	1	1	2
Died	5	3	8	8	—	8
Remaining end of 1893	14	16	30	36	27	63

METEOROLOGICAL.

The following comparative statements, made up from the Blue Book returns, may be of some interest as illustrating the varying climatic conditions of the several islands of the Colony. The Thermometer readings are the means of the daily observations at the seat of the Government or principal town in each of the islands mentioned, and the rainfall also represents that at these

towns in 1893. The largest rainfall (87·79 inches) was in Dominica, the smallest (38·17 inches) in Anguilla. In Antigua, October, with 7·98 inches, was the wettest month; in St. Kitts it was September with 6·74 inches; in Dominica, June with 13·39 inches; in Tortola (Virgin Islands) May with 11·78 inches; and in Anguilla, October with 7·47 inches.

The average rainfall over 54 stations in Antigua was 38·53 inches or 6·73 inches below the average of the last 20 years. In St. Kitts, over 28 stations, the average was 56·75 inches; in Dominica, over 11, it was 127·23 inches, 209·42 inches having fallen at one place (Shawford) during the year, and in Montserrat, over four stations, 71·31.

The greatest variation in the monthly average of the minimum shade temperature was shown in Dominica, where it ranged from 61° in March to 76° in August. In Antigua it varied from 67·7° in January to 74·7° in August, and in St. Kitts from 69·17° in March to 74·74° in July.

The highest recorded monthly average of the maximum shade temperature was 90·50° (August) in St. Kitts, and the lowest 81° (in February and in March) in Dominica. In Antigua the Thermometer ranged from 67·7° (monthly minimum) in January to 89·3° (monthly maximum) in August. The lowest recorded on any day was 60° on February 8th to 9th, and the highest 92°, on ten occasions, viz.: August 3, 9, 10, 14, 21, 24, September 30th, October 1st, 9th, and 10th.

In St. Kitts, the minimum was 69·17° in March and the maximum 90·50° in August. In Dominica, they were 61° and 86° respectively (September and October).

The Colony has been most fortunate in escaping the violence of the numerous cyclones which have originated near, or passed close to, the islands during the year. The following hurricanes gave rise to some anxiety:—

(1.) The cyclone originating on August 12th in 12° N. 30° W. This disturbance passed over Guadeloupe on August 15th; over Porto Rico on the night of August 16th; then travelled parallel with the eastern coast of the United States on August 20th to 22nd, after which it curved eastward across the North Atlantic and expended its energy in about longitude 40° W. on August 24th.

(2.) Another storm originated far out in the Atlantic on August the 16th and passed to the Northward of the Virgin Islands on August 20th. This cyclone struck the United States coast on August 24th, in the neighbourhood of New York, and passed directly over New York City, causing much damage to property.

(3.) A third cyclone originated on August 18th, and on the 24th was 250 miles north of Saint Thomas. This storm crossed the Bahamas and struck the United States coast near Savannah on the morning of the 28th, causing frightful loss of life amongst the inhabitants of the low-lying coast lands; the loss was estimated at 1,200 souls.

(4.) On October 4th and 5th a cyclone originated near these islands and passed north of the Virgin Islands on October 6th, proceeding very slowly; it reached the United States coast near Charlestown on the morning of the 13th, proceeding inland and across Lake Ontario on the 14th, causing much disaster to shipping, both in the Atlantic and on the Lake.

Rainfall.

Month.	Antigua.	St. Kitts.	Anguilla.	Dominica.	Virgin Islands.
January	2·78	0·49	0·50	2·69	1·02
February	1·98	3·63	2·10	6·28	3·18
March	3·28	0·95	1·10	2·27	1·15
April	2·61	2·59	4·27	3·55	3·33
May	1·88	6·57	7·09	3·21	11·78
June	2·68	3·61	2·08	13·39	11·31
July	4·12	5·92	1·69	12·88	5·21
August	2·82	2·98	3·14	11·08	7·42
September	4·89	6·74	5·39	10·77	4·23
October	7·98	3·90	7·47	8·38	4·70
November	1·63	1·70	1·38	2·29	0·86
December	3·84	3·87	1·96	11·00	2·84
Total	40·49	42·35	38·17	87·79	57·00

Thermometer (Shade Temperature).

	Antigua.		St. Kitts.		Dominica.	
	Maximum.	Minimum.	Maximum.	Minimum.	Maximum.	Minimum.
January	83·3	67·7	85·19	70·77	—	—
February	83·0	68·7	84·34	70·17	81	71
March	84·0	71·0	85·23	69·17	81	61
April	85·0	70·0	85·53	71·10	83	73
May	86·5	72·7	86·64	73·21	85	75
June	87·6	74·0	87·73	74·56	85	75
July	88·6	74·0	88·48	74·74	85	75
August	89·8	74·7	90·50	75·60	85	76
September	88·6	72·8	89·70	73·53	86	74
October	87·7	72·4	88·00	73·93	86	76
November	87·0	70·6	88·13	72·40	85	75
December	83·3	70·3	83·90	71·38	82	72

POST OFFICE.

The Post Office transactions of the year show an increase over those of 1892. Exclusive of the Inland post letters (220,149) there were 586,184 articles dealt with, as against 486,281 in 1892. Details are given in the two following tables.

Articles.	Received.		Despatched.	
	1893.	1892.	1893.	1892.
Letters and Cards -	209,915	169,453	189,076	157,894
Papers and Books -	131,389	122,357	31,190	29,720
Parcels post - -	5,444	5,485	1,240	1,372
	346,748	297,295	221,506	188,986

Articles. Received and sent.	United Kingdom.		United States.		Other Countries.	
	1893.	1892.	1893.	1892.	1893.	1892.
Letters and Cards	96,333	78,785	47,527	35,536	255,131	213,026
Papers and Books	88,686	81,712	25,512	25,012	48,381	45,353
Parcels Post -	5,247	5,073	191	410	1,246	1,374
	190,266	165,570	73,230	60,958	304,758	259,753

There was a very small increase in the money-order business and this occurred mainly at St. Kitts in the orders drawn upon the United Kingdom. The two following tables show the post office work and money-order business of each Island.

		Letters, papers, &c.			Parcels Post.	Money Orders.		
		Received.	Sent.	Total.		Drawn in	Paid by	Total.
						£	£	£
Antigua - -	1893	121,291	80,844	202,135	2,849	34,818	3,238	38,556
	1892	117,124	75,705	129,829	3,215	36,414	2,716	39,130
St. Kitts - -	1893	112,545	74,031	186,576	1,690	7,945	2,967	10,912
	1892	87,782	57,652	145,434	1,703	6,514	3,046	9,560
Nevis - -	1893	14,948	9,061	24,009	369	4,733	260	4,993
	1892	10,986	7,004	17,990	382	4,175	399	4,574
Dominica - -	1893	55,476	30,430	85,906	964	12,025	1,132	1,315
	1892	49,212	29,726	78,938	930	12,664	1,730	14,394
Montserrat - -	1893	31,762	21,929	53,691	750	13,293	784	14,077
	1892	22,673	14,789	37,462	572	12,388	736	13,124
Virgin Islands -	1893	5,282	3,971	9,253	62	183	10	193
	1892	4,033	2,738	6,771	55	61	29	90
Total - -	1893	341,304	220,266	561,570	6,684	72,997	8,891	81,886
Total - -	1892	291,810	187,614	479,424	6,857	72,216	8,656	80,872

—		United Kingdom.		United States.		Within the Colony.		Other Places.	
		Drawn.	Paid.	Drawn.	Paid.	Drawn.	Paid.	Drawn.	Paid.
		£	£	£	£	£	£	£	£
Antigua	1893	22,895	540	8,161	380	2,014	2,157	1,748	661
	1892	22,378	379	9,937	189	2,367	1,595	1,732	553
St. Kitts	1893	6,469	272	100	386	770	1,771	606	538
	1892	5,494	347	48	323	510	1,890	462	485
Nevis	1893	3,957	20	314	26	157	109	305	105
	1892	3,363	31	68	8	353	236	391	124
Dominica	1893	10,369	109	437	28	610	627	619	367
	1892	10,800	173	635	73	693	1,228	536	256
Montserrat	1893	8,520	79	1,656	41	1,547	467	1,570	197
	1892	5,972	60	3,370	60	1,447	470	1,599	147
Virgin Islands	1893	—	—	24	—	117	9	42	1
	1892	—	—	—	18	50	9	11	2
Total	1893	52,201	1,020	10,692	861	5,215	5,140	4,890	1,869
Total	1892	48,007	990	14,058	671	5,420	5,428	4,731	1,567

SAVINGS BANKS.

The amount at the credit of depositors at the end of the year was 59,124*l.*, of this sum there was invested 55,315*l.* The deposits during the year amounted to 25.427*l.*, and the withdrawals to 23,112*l.* The expenditure was 1,664*l.*, and the revenue 1,529*l.* As may be seen from the table giving details for each bank there was an increase in the number of depositors and in the transactions generally.

Bank.	No. of Depositors.		Amount Deposited.		Amount Withdrawn.		Amount to credit.	
	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.
			£	£	£	£	£	£
Antigua - - -	1,635	1,717	12,484	16,683	12,771	15,234	39,123	40,572
St. Kitts - - -	310	389	3,930	4,814	2,563	3,930	7,493	8,377
Nevis - - -	80	88	680	1,084	645	1035	3,207	3,265
Dominica - - -	240	275	1,246	1,622	1,520	1,566	4,500	4,556
Montserrat - -	114	137	1,218	1,224	1,418	1,347	2,432	2,372
Virgin Islands - -	—	—	—	—	—	—	—	—
Total - -	2,379	2,606	19,558	25,427	18,927	23,112	56,755	59,142

The average monthly lodgments in the Penny Savings Bank, opened in Antigua in 1891, increased from 2*l.* 14*s.* 0*d.* to 3*l.* 0*s.* 8*d.* the deposits numbering 808, as against 648 in 1892.

GENERAL REMARKS.

By comparison with those of previous years, the statistics which have been under review give many illustrations indicative, not only of a steady, continued, and gradual progress towards a position of sound financial and commercial prosperity, but of the improved condition of the people brought about by the expansion of the educational system, and, as I believe, by the increased circulation of money attendant upon the many public works which have recently been undertaken with funds raised on loan. Without any increase in taxation, or any alteration in the taxes other than those necessitated by the McKinley tariff, the annual revenue has been increased during the last five years, by a sum approaching 37,000*l.*, while the annual expenditure, on the other hand, has only increased by about 22,000*l.* The Customs statistics show satisfactory progress; the value of the imports and exports in 1893 being 460,885*l.*, and 564,289*l.*, respectively, as against 405,210*l.* and 509,709*l.*, in 1888, but it must be borne in mind that the 1893 figures are increased by the carrying out of the recommendations of the Customs Committee in 1891 as to freight and insurance. These returns also show that, with only a slightly larger population, the value of the staple articles

of food imported rose from 94,084*l.* in 1888, to 104,852*l.* in 1893, that the imports of cottons and woollens similarly increased from 61,097*l.* to 69,690*l.* and that the imports of haberdashery and millinery increased from 26,951*l.* to 37,304*l.* The Savings Banks returns give considerable additions, both in the number of the depositors and in the amount of the Savings deposited; and the criminal returns record a decrease of 23 per cent. in the number of persons committed to gaol.

Upon Education in the Colony, there was spent in 1888, 2,179*l.*; at the end of 1893 the expenditure had reached 14,524*l.*, and it is not expected it will remain at this figure if the compulsory education system introduced in 1891 is to be properly carried out. In Antigua and St. Kitts-Nevis it has been recognised that the Government cannot afford to carry out the educational scheme without the assistance of the various religious denominations, and the Legislatures of these Islands have provided 5,000*l.* each towards assisting the denominations in securing the additional school accommodation needed for the increasing wants of the Colony. In 1888 the daily average school attendance was 7,084 in 1893 it was 11,439. It is estimated that at least 10,000*l.* a year is lost to the reveuue by smuggling, and recently preventive measures have been taken in St. Kitts with marked results. During the year, two additional training schools were established, one in Dominica for boys, and another for girls in Antigua.

In Antigua the Wallings Reservoir, estimated to hold 13,000,000 gallons of water, which was commenced in 1890, was practically completed and will be taken over from the Contractors on the receipt of a favourable report from the Consulting Engineer; it remains only to connect the reservoir by pipes, along routes yet to be determined, with the estates and valleys. The Harbour works made good progress, a passage 150 feet wide has been cut through the bar to a depth of 17 feet and it is proposed to continue dredging this passage to a depth of 21 feet, so that large vessels may at once come over the bar and anchor in perfectly smooth water within a few yards of the shore. Continued attention has been given to the streams in Antigua, and by means of a steam dredger much good work has been done. The maintenance of these streams carries with it an improvement in the sanitary condition of the neighbouring villages and the gradual reclamation of any adjoining swamp land.

In St. Kitts, a long felt want, in the shape of commodious Customs and Treasury buildings, is being met by the erection of new offices under contract. Attention has been paid to the drainage and water supply and very great improvements have been made by the extension of the town of Basseterre and by the enlargement of the Prison and the Cunningham Hospital. The water supply of Nevis was extended and in Anguilla the wells were improved and two centres for the cultivation of Mauritius and Sisal hemp established. There was an improvement in the

condition of the people, who recently suffered much distress from famine caused by prolonged drought.

A Royal Commission to inquire into the condition of Dominica and as to the working of its political constitution was held by Sir Robert Hamilton. K.C.B., who arrived in the Island on the 21st November, and left on the 28th December, 1893. In the early part of the year serious riots, having their origin in an attempt of the police to serve process, and resulting in the loss of four lives, took place in one of the country districts. Over Melville Hall River, a bridge constructed of stone and iron, with two spans of 54 feet each, was finished, and its erection completed the chain of communication by a good road for vehicles from the Harbour at Portsmouth to the shipping wharf at Marigot, a distance of about 20 miles, over some of the most difficult road-making country in the Island. The establishment of quarantine stations, the repairs to the Roseau River embankment, and to certain bridges, were among some of the other public works carried out during the year.

In Montserrat, with a view to the opening up of the land in the interior of this salubrious, beautiful and most fertile island, considerable attention was paid to the cultivation of new roads and bridges, nearly 4,500*l.* having been expended during the year in this way.

The Virgin Islands, as the outcome of recent legislation, show more signs than formerly of being able to establish at no distant date an equilibrium between their annual revenue and expenditure.

(Signed) FRED. EVANS.
Colonial Secretary of the Leeward Islands.

No. 114.

MALTA.

ANNUAL REPORT FOR 1893.

(For Report for 1892 *see* Colonial Report [Annual] No. 79.)

Presented to both Houses of Parliament by Command of Her Majesty.
August 1894.

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1894.

[C.—7319.–12.]

COLONIAL REPORTS.

The following, among other reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page :—

ANNUAL.

No.	Colony.	Year.
78	Trinidad and Tobago	1892
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbadoes	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
68	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,
108	St. Vincent	,,
109	Gibraltar	,,
110	Bahamas	,,
111	Turks and Caicos Islands	,,
112	Leeward Islands	,,
113	Barbados	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 114.

MALTA.

[For Report for 1892, *see* Colonial Report (Annual) No. 79.]

SIR A. J. L. FREMANTLE to the MARQUESS OF RIPON.

MY LORD, The Palace, Valletta, June 28, 1894.

I HAVE the honour to transmit, herewith, the Blue Book for 1893, with a covering report from the Chief Secretary to Government.

I have, &c.

(Signed) A. J. LYON FREMANTLE,
Governor.

Chief Secretary's Office, Valletta,

SIR, June 24, 1894.

I HAVE the honour to submit the following report on the Blue Book for 1893:—

Revenue and Expenditure.

The actual revenue collected, from all sources, in the year 1893 amounted to 291,157*l.* 10*s.* 3½*d.*, as hereunder detailed:—

	£	*s.*	*d.*
Customs	159,842	4	6
Harbour and Quarantine Dues	11,476	3	2
Licences, Court Fines, &c.	5,455	3	6
Fees of court or office, payment for specific services, and reimbursements	19,819	6	3¼
Post Office	10,869	3	8
Railway	4,751	18	8
Water service	7,862	8	11
Rents (agricultural)	13,866	11	3¼
Rents (house property)	26,421	7	7¼
Rents on account of Charitable Foundations	4,108	9	9
Interest	26,684	12	11¾
Total	£291,157	10	3½

MALTA. 1893.

The amount of Revenue of the preceding year (1892) was 289,231*l.* 11*s.* 2¾*d.* The total revenue of 1893 exceeded that of the preceding year by 1,925*l.* 19*s.* 0¾*d.*

The estimated revenue for the year was 282,407*l.*; the actual receipts, amounting, as already stated, to 291,157*l.* 10*s.* 3½*d.*, have therefore exceeded the estimate by 8,750*l.* 10*s.* 3½*d.*

The increase in the Revenue is chiefly due to larger receipts from :—

a. Harbour and Quarantine Dues.
b. Post Office.
c. Railway.
d. Water Service.
e. Urban Property.
f. Interest.

On the other hand, there was a decrease of Revenue under the following heads, viz. :—

a. Customs.
b. Licence and Court fees, &c.
c. Fees and reimbursements.
d. Rents (agricultural).

The receipts derived from the Customs Department (which form the main source of the revenue of Malta) did not increase as in former years, but diminished in 1893 to the extent of 1,315*l.* 15*s.* 10*d.* This decrease was caused by a reduction in importation of cattle, due in part to the prohibition of the entry of cattle from some ordinary sources of importation which were affected during the year with cattle disease. Moreover, a smaller quantity of wine was issued from bond for local consumption. The latter feature may be explained by the circumstance that in the two previous years a quantity of wine larger than usual had been imported from Sicily and elsewhere and kept in stock in private stores, owing to the abnormally abundant vintage, and the consequent low price of wine; and also, possibly, to the growth of the local demand, on the part of the lower classes, for spirits and beer in preference to common wine.

But while the Customs revenue has suffered a diminution, the Harbour and Quarantine receipts have yielded a revenue in excess of that estimated, and greater than that of the two previous years, as shown hereunder :—

	£	*s.*	*d.*
In 1891	10,784	11	0
In 1892	8,608	8	6
In 1893	11,476	3	2

The rise is chiefly to be attributed to the increase in Dues collected under the Quarantine Regulations. It is noteworthy that, notwithstanding the prevalence of strict quarantine

restrictions, the Tonnage Dues have yielded an increase of revenue compared with the previous year, and that a larger number of steamers have visited our harbours. It is further argued that this circumstance may tend to dispel some apprehensions that were entertained that the trade of the harbours of Valletta was on the decline, and that former severe quarantine restrictions had caused irreparable damage.

The Post Office continued to show a tendency to earn an increased revenue. The increase of 125*l.* 5*s.* 2*d.* during 1893 is chiefly due to profit on commissions on money orders and on parcels posted outwards.

Expenditure.

It should be noted, before analysing the expenditure of the year 1893 and comparing the same with that of former years, that in the year before the one under review, the expenditure comprised a period of thirteen months (1st December 1891 to 31st December 1892), and that, therefore, the comparison between 1893 with the previous year cannot be on an equal basis.

The provision voted for the expenditure of the year 1893 amounted to 345,933*l.* 5*s.* 6*d.* The actual expenditure reached the sum of 304,992*l.* 13*s.* 0*d.*, as follows:—

	£	*s.*	*d.*
Charges on account of Interest and Burthens	18,434	12	9½
Pensions	16,574	15	0
The Governor and Legislature	4,601	16	8
Chief Secretary's Department	4,351	12	11
Receiver-General and Director of Departments Contracts	2,621	10	9
Customs and Port Department	10,217	9	3
Audit Department	1,385	9	7
Printing office	1,282	9	3
Railway Department	5,234	12	0
Legal Departments	18,421	2	6
Police	39,392	19	4½
Prisons	3,785	3	3
Charitable Institutions, including Monte di Pietà	41,015	16	9
Education	20,369	15	2
Post Office	11,122	6	5
Ecclesiastical Expenditure	1,436	14	5
Military Expenditure	5,000	0	0
Miscellaneous Services	13,385	12	3
Superintendent of Works Department	6,705	6	2
Public Works Recurrent	60,711	11	1½
Public Works Extraordinary	18,941	17	4½
	£304,992	13	0

In comparing the total expenditure with the revenue received (291,157*l.* 10*s.*, 3½*d.*), the former shows an excess on the latter of 13,835*l.* 2*s.* 8½*d.*, which excess was met by the balance carried forward from 1892. The following figures show the progressive rate of expenditure for the last three years:—

	£	*s.*	*d.*
In 1891 - - - -	281,870	13	5
In 1892 (13 months) - -	297,371	4	11¼
In 1893 - - - -	304,992	13	0

The Heads of Service under which increased expenditure was incurred in 1893, and the reasons for such increase are chiefly the following;—

a. "Interest and Burthens," due to the interest payable on Savings Bank Account for sums advanced as a loan to the Monte di Pietà; and to a new burthen payable in accordance with a judgment of the Court of Appeal.

b. "Pensions."—The increase of expenditure is owing to the final adjustment of the pensions of Policemen of the Old Force, under Ordinance V. of 1893.

c. "Post Office," due chiefly to increase of Office Staff, and to the additional cost of the Mail Services with the Continent.

d "Miscellaneous."—The increase of expenditure is owing chiefly to the erection and installation of a Technical School in connection with the Railway; to necessary improvements in the Lazaretto; and to the cost of extraordinary sanitary measures, and to the augmentation of the provision for refund of duties on account of supplies for the Army and Navy.

e. "Public Works Recurrent."—The increase under this head is chiefly for greater expenditure incurred for repairs, and expenditure in the up-keep of Public Offices, in Buildings of the Charitable Institution, in the maintenance and repairs of urban and rural tenements, in the maintenance of streets and roads, and in the Water Supply and Drainage:

f. "Public Works Extraordinary."—The additional expenditure in 1893 was incurred for the enlargement of St. Clement Water Service Reservoir, for the completion of the Infirmary for Female Patients in the Lunatic Asylum, in the construction of a prison for women, for the extension of the Water Supply, and in reconstruction, grading, and widening roads.

The large spending Departments of the Government are:—

The Police Department, now including the Sanitary Office and the Public Slaughter House,

The Charitable Institutions,

The Educational Department,
The Public Works Department: including Drainage and Water Supply.

The actual cost of the Police Department and of its sub-Departments has this year (1893) amounted to 39,392*l.* 19*s.* 4½*d.* In the last three years it was as follows:—

	£	*s.*	*d.*
In 1891 - - - - - -	38,747	15	5
In 1892 (13 months) - - - -	43,635	11	9
In 1893 - - - - - -	39,392	19	4½

The chief cause of the additional expenditure has been an increase in the number of the Marine Police, who replace health guards, formerly employed, when required, casually, on wages from day to day; the additional expenditure incurred to provide sanitation, in view of the existence of cholera in neighbouring countries; and expenditure connected with the slaughter houses.

The Charitable Institutions absorbed about one-seventh of the whole of the public revenue, and cost during the year 1893, 41,015*l.* 16*s.* 9*d.* The number of inmates in all the hospitals has this year been very large. The comparison of the cost of the Government charities in 1893 with the preceding years is as follows:—

	£	*s.*	*d.*
In 1891 - - -	39,310	9	4
In 1892 (13 months) - -	43,521	13	2
In 1893 - - -	41,015	16	9

With regard to the Educational Department, its expenditure during the year was 20,369*l.* 15*s.* 2*d.* In the previous two years the amount expended was as follows:—

	£	*s.*	*d.*
In 1891 - - -	19,602	6	4
In 1892 (13 months) - -	21,329	12	9
In 1893 - - -	20,369	15	2

It may be noted that this expenditure tends to increase with the growing demand for public gratuitous instruction. New Technical School Buildings have been equipped at a cost of 428*l.* 19*s.* 11*d.*; and the whole cost of the almost self-supporting secondary school for girls has been brought to account as an itme of expenditure, carrying at the same time to revenue the fees, 264*l.* 9*s.* 8*d.*, received in reimbursement of the expense. In the Lyceum and in the University the fees payable by students are disproportionately low.

The cost of the Public Works Department, staff and other charges, under the same head during the year under review was 6,705*l.* 6*s.* 2*d.* against 7,159*l.* 1*s.* 11*d.* in the previous year. The

provisions taken for Recurrent and Extraordinary works were in 1893 as follows :—

	£	s.	d.
Recurrent - - - -	76,201	18	4
Extraordinary - - - -	34,297	15	1
giving a total of - -	£110,499	13	5

The actual expenditure, however, amounted only to 79,653*l.* 8*s.* 6*d.*, viz. :—

	£	s.	d.
Recurrent - - - -	60,711	11	1½
Extraordinary - - - -	18,941	17	4½

From above figures, it will be seen that a sum, 30,846*l.* 4*s* 11*d.*, remained unexpended on 31st December 1893, owing to strict economy in some works, to the non-execution of certain works, and to the non-completion of other works, for the whole of which provision had been voted in the estimate.

The following were the important extraordinary works in progress for which provision was voted in 1893 :—

	£	s.	d.
1. Excavation of grain "Fosse" (stores) -	1,104	8	7
2. Construction of additional accommodations and appliances for the Lunatic Asylums	1,766	10	6
3. Paving and improving certain streets in the towns, in the country districts of, and in, Gozo - - - -	9,446	0	0
4. Enlarging St. Clement water reservoir	2,500	0	0
5. Additional wing to Corradino prison for female prisoners. - - -	1,998	5	9
6. Extension of the water supply - -	4,779	9	1
Total - - -	£21,594	11	11

Upon these works the actual expenditure incurred during the year has been :—

	£	s.	d.
1. Excavation of grain "Fosse" (stores) -	606	14	3
2. Lunatic Asylum - - - -	1,104	15	3
3. Reconstruction of streets and roads -	5,789	15	10½
4. St. Clement reservoir - - -	1,235	13	5½
5. New wing, Corradino prison - -	1,998	11	1
6. Water supply - - - -	2,578	13	1
Total - - -	£13,314	3	8

In this year the practice of purchasing materials and stores by the Works Department out of advances made from the Treasury under the Store Suspense Account was discontinued, and the cost of such stores are now paid out of, and charged direct to, the specific votes for which they are required. This alteration in the mode of accounting is expected to be conducive to greater economy, and it will afford greater facilities in the checking of the accounts of expenditure of the Public Works Department by the Auditor-General.

Public Works.

The most important Public Works in 1893 have been the completion of additional accommodation for the storing of wheat, 606*l.* 14*s.* 3*d.*; the extension of the wards of the Lunatic Asylum at a cost of 1,104*l.* 15*s.* 3*d.*; the reconstruction of streets and roads, 5,789*l.* 15*s.* 10½*d.*; the erection of a new wing to the Civil Prison for the accommodation of female prisoners, 1,998*l.* 11*s.* 9*d.*; the building of a new service reservoir for the supply of the Cottonera District, 1,235*l.* 13*s.* 5½*d.*; and the extension of the water supply, 2,578*l.* 13*s.* 1*d.*

Civil Establishments.

During the temporary absence of the Governor, Major-General C. B. Knowles, C.B. was appointed as Deputy-Governor, from 5th to 17th April, and from 25th July to the 8th September.

On the 30th December, Major-General Knowles assumed the administration of the Government on the departure from Malta of His Excellency General Sir H. A. Smyth, K.C.M.G.

Sir Joseph Carbone, K.C.M.G., LL.D., acted as Chief Secretary to Government during my absence from these Islands, from 5th August to 3rd November.

On my assuming the duties of my office, Sir Joseph Carbone was relieved from the ordinary duties of his Office of Crown Advocate for the purpose of undertaking special duties in connection with the hearing before the Judicial Committee of the Privy Council of a Special Reference on questions concerning the Marriage Law in Malta.

Legislation.

The following are the most important enactments passed during the Session of 1893:—

Ordinance No. I.

"To amend Ordinance No. VII. of 1886."

This Ordinance, promulgated in January 1893, makes some provisions in regard to the manner of holding elections. It

is remarkable inasmuch as it cancels the provision, previously in force, for the appointment of Trust Commissioners to mark the votes of illiterate voters in certain cases, and provides that any of the electors may appoint some person to vote, by proxy, for him, provided such agent be related to the person entitled to a vote within certain specified degrees of relationship.

Ordinance No. II

"To make some provisions with respect to the compulsory retirement of, and the grant of pensions and gratuities to, the members of the Police Force, in certain cases, and to amend Ordnance No. IX. of 1885 and No. V. of 1888."

The object of this Ordinance is principally to give effect to certain recommendations contained in a report of the Police Committee dated 15th October 1889, and to proposals made by the Police Board for facilitating the retirement of inefficient policemen in connection with the re-organization of the force.

By Article 6 of this Ordinance power is given to the Governor to order the separation of the Marine Police from the rest of the force, and to place the Collector of Customs at the head of the Marine Police thus separated.

Article 7 gives power to the superintendent to enforce the attendance of witnesses in case of inquiries on complaints made against members of the force.

Article 8 deals with the "Police Reward Fund" contemplated in Ordinance IX. of 1885, and a "Relief Fund" which is raised by periodical contributions of an Association among the members of the Police Force.

The object of this fund is to assist the men when in financial difficulties, by a system of loans, and by gratuities when awaiting the approval of their pensions; and to make some provisions for their families on the death of contributors to the fund.

Ordinance No. III.

"To amend Ordinance No. IX. of 1888."

This Ordinance was framed in consequence of the representations of the Chief Government Medical Officer respecting the importation of butchered meat. This trade also affected the revenue, inasmuch as the import duly could only be levied on live stock.

Ordinance No. V.

"To encourage inventions and improvements in mechanical contrivances and processes of industrial manufacture."

This enactment gives effect to certain recommendations of the Board of Trade on Ordinance No. XIII. of 1889, concerning Articles 3, 4, and 8, of that Ordinance.

Article 3 was amended in the sense of giving discretionary power to the Government to fix the amount of fees payable in respect to applications and grants of patents, not to exceed, however, the amount fixed in the schedule annexed to the Ordinance.

Article 4 lays down the circumstances under which a patent is to cease.

Article 8 has been amended on the lines of section 103 of the Patent Act of 1883, as amended by 48 & 49 Vict. Ch. 63, and it has been so modified in order to include persons who may have applied for protection of an invention in the United Kingdom or in any British Possession, as well as persons who may have applied for protection in any Foreign State with which Her Majesty has made an agreement for the mutual protection of inventions.

Ordinance No. VII.

"For checking the spread of the disease commonly known as Leprosy."

Prior to 1883, several reports reached this Government to the effect that many cases of leprosy were known to exist in the Colony, and that the disease was on the increase.

A Committee composed of the Members of the Medical Board was appointed in that year to inquire into, and report upon, the existence and nature of the disease.

The Committee presented their report on the 5th November 1886, and the same was communicated to the Council. An Ordinance was then submitted and passed with some slight amendments, and assented to and proclaimed on the 6th March.

Although the Ordinance has been promulgated, it cannot be put in force until proper provision has been made for a suitable Asylum and for the care and maintenance of the lepers.

Ordinance No. VIII.

"To make some provisions in order to better repress the sale of foreign lottery tickets."

The necessity of this Ordinance originated in the comparatively large sums of money which annually find their way out of these Islands for the purchase of tickets of Foreign lotteries, such as the Italian and German lotteries.

Ordinance No. IX.

"To authorise the Head of the Government, in certain cases, to raise Military forces by voluntary enlistment."

This Ordinance has for its object to give a recognised Military status to men forming the crews of boats and other vessels which would be employed in time of war under the General Officer Commanding at this Station for patrolling and other purposes, and in order to secure to the crews, in certain eventualities, the right to be treated as belligerents.

Ordinance No. XI.

"To amend the tariff of Notarial Fees annexed to Ordinance No. V. of 1855."

During the Governorship of Sir L. Simmons, a Commission was appointed to inquire into, and report upon, repeated representations made to Government by the Members of the Notarial Profession as to the insufficiency of their fees, as established by Law, the former tariff having been enacted so far back as January 1856.

After that Commission had presented their report, the Elected Members of the Council on several occasions urged the Government to bring forward a Law improving the scale of fees which Notaries are by Law entitled to receive.

Ordinance No XII.

"To amend and consolidate the Laws relating to the Post Office, and to make provision respecting the Postal Service."

This enactment originated in the advisability of consolidating in one Ordinance the several legislative provisions contained in Ordinances No. II. of 1877, No. II. of 1884, No. III. of 1889, and No. IX. of 1891.

Almost all the Articles of this Ordinance, saving slight modifications, were passed by the Council, but three paragraphs (2, 3, and 4 of Article 8) were negatived by the majority of the Elected Members. These paragraphs extended the prohibition to carry, receive, collect, or deliver letters otherwise than by officials of the Post Office.

The amendment, as passed by the Council, is in opposition to the principle that the Post Office should have the exclusive privilege of carrying all letters for the benefit of the Public Revenue, and is also in conflict with the provisions contained in Imperial Acts.

A new provision is contained in Article 35, whereby the Head of the Government is authorised to offer any sum not exceeding £4,400 a year to any person who shall bind himself for such sum and for a period of years not exceeding twelve years, to convey such mails as may be delivered to him by the Postmaster-General, from Malta to a Port in the Kingdom of Italy, and *vice versa*.

Ordinance No. XIII.

"To apply some of the provisions contained in Ordinance No. II. of 1893 to Members of the Police Force discharged previously to the promulgation of that Ordinance."

This Ordinance was rendered necessary to give a retrospective effect to some of the provisions of Ordinance No. II. of 1893, with a view to legalising the grant of pensions to the Constables who had to retire in 1890 at the scale authorized under the latter Ordinance.

Ordinance No. XV.

"To obtain certain statistical information respecting the trade of the Island of Malta and its Dependencies."

Articles 1, 2, 5, 8, 11, 12, 14, 18, and 19, of this Ordinance, the form of oath and the Schedules annexed thereto, were passed as originally proposed, and Articles 6, 7, and 15, referring to the way of establishing the value of the goods imported in certain cases, and to the power of the Head of the Government to alter any forms annexed to this Ordinance, were negatived.

Amendments were proposed by the Representative of the fifth District and were agreed to. The first amendment refers to Article 3, and is intended to enable the importers of goods to make the declaration of the value of goods in such a way as to render it accessible only to the officials of the Customs Department.

The second amendment refers to Article 4, and is to the effect of enabling the importer to declare the value the goods had at the place of importation.

The third amendment refers to Article 9 of the Draft Ordinance and is intended to exonerate the captain of a merchant ship from declaring in the manifest of exportation the place of origin of certain goods so exported.

The fourth amendment tends to enable all steam ships to clear out before delivering the manifest of exportation, provided there be in these Islands a responsible person who undertakes to furnish the above document to the collector of customs.

The fifth amendment tends to do away with the differential award of punishments to individuals contravening this Ordinance, and for applying in this case the ordinary law protecting duties to be levied by the Customs Department.

Ordinance No. XVII.

"To amend the Police Laws."

This Draft Ordinance was introduced by the Representative of the Fifth District, and passed by the Council of Government.

His Excellency the Governor reserved the same for the signification of Her Majesty's Pleasure thereon.

MALTA. 1893.

By a provision of the Police Laws now in force, and which would be repealed if Article 11a of the Ordinance had not been suppressed, an appeal is permitted to the Medical Board from any order of the Sanitary Authority, and the decision of the board is final.

Population.

The estimated population of the Islands on 31st December 1892 was 166,889. The normal increase during 1893, as represented by the excess of births over deaths, was 1,216.

The population may therefore be estimated at 168,105 on the 31st December, 1893.

The total number of births was 6,419, of these 3,314 were males and 3,105 were females, being at the rate of 1,067 males to every 1,000 females.

The number of marriages in 1893 was 1067, an actual decrease on the marriages in 1892 of 19, notwithstanding that the population at the close of the year was 1,216 persons or 7 per cent greater than at the close of the previous year. If the state of trade and local prosperity were to be tested by the fluctuations in the number of marriages, it would appear that there was a greater degree of of prosperity in 1892 than in 1893.

The deaths registered in 1893 amounted to 5,203, a decrease on the number of 1892 of 539, the death-rate having fallen from 34·4 per 1,000 of the population in 1892 to 30·9 in 1893.

Of the deaths, 2,640 were of males, and 2,563 of females. These figures, upon the estimated number of each sex living during the year, amount to 31·84 per 1,000 of the male population, and 30·07 per 1,000 of the female population; so that 103 males died to every 100 females.

The public health during the year was not all that could be desired, owing to the prevalence of enteric fever, but notwithstanding this, the death-rate for the year compares favourably with that of the preceding year.

Education.

The following notes on the progress of education during the year have been extracted from the Annual Report of the Vice-Chancellor of the Universities.

The attendance, behaviour, and progress of the pupils leave little to be desired, and offer evidence of natural ability, diligence, and docility.

Increased accommodation in the Elementary Schools has been effected.

The addition of three night schools indicates further progress in the direction of national education, and the establishment of a school of manual industry, together with the course of practical mechanics

to be shortly commenced at the Hamrum Railway Station, cannot fail to be of great value in promoting local industry.

The percentage of attendance in the Elementary Schools appears satisfactory. The fact that so many as 80 per cent. of children should be willing to present themselves for instruction, is sufficient indication of the popular desire for education.

The returns in the last Census prove that the percentage of progress of education in English and in Italian was much higher than the percentage of the increase in the population in the previous decennial period. In 1881, that rate was 16·5 per cent., and in 1891, 11·87, showing an increment of 25 per cent. in the number of persons possessing some knowledge of English and Italian, as against an increase of 10·18 per cent. in the growth of the population.

The cost per head of the children in the Elementary Schools varies considerably; this circumstance is due to the number of pupils each school could accommodate. The marked difference illustrates the relative economy of large schools, and suggests the desirability of gradually increasing existing schools up to the full limit of the local demand.

The expenditure in respect to the Educational Department was, in 1893, as follows:—

	£	s.	d.
University - - - -	3,097	9	0
Lyceum - - - -	2,478	3	11
Secondary School, Gozo - -	235	0	0
Total	£5,810	12	11
Elementary Schools - -	£11,852	19	5

The cost per head at the various Institutions was as follows:—

	£	s.	d.	
University - - -	32	5	2½	per head.
Lyceum - - -	5	11	10¼	„
Secondary School, Gozo -	5	0	0	„
Elementary Schools - -	1	2	0	„

Shipping.

The number of steam vessels which entered at port in this Island during 1893, was 2,670, with a tonnage of 3,381,380; and the number of sailing vessels which entered was 1,161 with a tonnage of 90,905.

The corresponding arrivals in the preceding year were 2,430 steam vessels with a tonnage of 3,023,244; and 1,134 sailing vessels with a tonnage of 90,100.

The arrivals of 1893 show an increase of 240 steamers and 358,136 tons, and also an increase of 47 sailing vessels and 805 tons, over 1892.

There has been a corresponding increase of 589*l.* 5*s.* 6*d.* in the revenue received in the Customs Department in 1893 under heads

"Port Dues and Tonnage Dues," which amounted to 8,065*l.* 6*s.* 0*d.*, and this notwithstanding the restrictions put upon trade by the quarantine regulations during a great part of the year.

The depression of trade is probably due to the keen competition of Algiers, Port Said and Gibraltar as coaling depôts, to which allusion has already been made in former reports.

Currency

The maximum rate of exchange with London during the past year was:—

On demand 10*s.* per 100*l.*
At three days' sight 8*s.* per 100*l.*
At 30 days' sight 5*s.* per 100*l.*
At 60 days' sight 2*s.* 6*d.* per 100*l.*
90 days' sight at par.

There are three Banking Companies doing business in Malta, viz.: "the Banco di Malta," "the Anglo-Maltese Bank" and "the Anglo-Egyptian Bank." There are besides several important private Banks.

The amount of money in circulation is estimated at 405,000*l.*, and the circulation of notes of the former Banks at 30,000*l.*

The Government and the Commercial community keep accounts in sterling. A few merchants, however, of the Marina and Casals still continue to keep their accounts according to the old style in Scudi, Tari, and Grains.

The Maltese coins were demonetized in November 1886.

Agriculture.

A Committee was appointed to check the spread of the vine disease (*Peronospera*) and its labours appear to have met with considerable success.

The exportation of local produce was very limited in 1893, and this is ascribed to the low prices of agricultural produce in England and France and to the effect of protective duties in France.

The rate of wages has, however, remained practically unchanged and there was ample employment open to any man who was able and willing to work.

Fortunately the Colony is not dependent on the products of the soil.

The Naval and Military Establishments annually put large sums of money in circulation; moreover, during the winter months considerable profits are derived from supplying the wants of a considerable number of passengers who annually visit these Islands. The agricultural depression does not, therefore, affect the general prosperity of the Colony so seriously as it otherwise would do.

Gaols and Prisons.

The total number of prisoners committed was 73,357, showing a decrease on 1892 of 291 prisoners.

The Corradino Prison is on the mixed cellular system as regards criminal wards; it has 212 separate cells and five wards.

The kind of labour demanded in the prison is building, stone-cutting, carpentering, glazing, shoemaking, painting, whitewashing, tailoring, basket, mat and broom making, gardening and field labour; and the profits of the labour of prisoners are lodged in the Colonial Treasury.

The total annual cost of the Prison during the year amounted to 1,455*l.* 7*s.* 3*d.* "personal emoluments," and 2,166*l.* 2*s.* 1*d.* "other charges," against 890*l.* the amount of prisoners earnings during the same year.

Religious services are regularly performed for the benefit of the prisoners by a Roman Catholic chaplain, and by three visiting chaplains, one of the Church of England, one Presbyterian and one Wesleyan.

Criminal Statistics.

The number of offences reported to the police during 1893 was 8,956, an increase of 305 over the number reported in 1892.

The number of persons brought before the Magistrates was 16,245 as compared with 15,686 in the previous year. The cases were disposed of as follows:—

Convicted - - - -	15,401
Acquitted - - - -	844
	16,245

The total number of summary convictions in the Magistrates Courts was 15,206, against 14,626 in 1892, viz.:—

Offences against the person - - -	1,675
Injuries to property - - - -	557
Offences against the good order of families -	21
Other offences - - - - -	12,953
	15,206

The total number of cases tried in Her Majesty's Criminal Court was 195, an increase of 19 over the cases in 1892. There was an increase in the number of trials for murder, there having been only one conviction of this crime in 1892, as compared with five in 1893. Some of these trials related to crimes that had escaped detection for years.

In 1893 there was only one conviction of manslaughter.

General Remarks.

The general trade of the Colony during 1893 may be said to have suffered severely from stagnation. Important steps were taken by

the Government in the direction of advancing the prosperity of the Island, and mitigating the incidence in Malta of the general depression of trade in other countries.

A daily mail service, subsidized from the Island Revenue and worked with the best steamers owned in Malta that happened to be available, has been established between Malta and Syracuse. It has proved of considerable convenience to the business community, and to the numerous class who visit the island in the winter; but an increase in the subsidy appears necessary before the Government can hope to obtain the services of steamers of the class and speed required by the passenger service.

That tenders should be invited for the lighting of Valletta and suburbs by electric light was conditionally decided upon by the Council of Government at the end of the Session of 1893.

The last important step in the re-organization of the new Police Force by the separation of the Marine Police, now under the Customs Department, from the Internal Police, received final effect by a Government Notice, No. 58, of the 20th March 1893.

The position for which Malta has for long been conspicuously peculiar, in not having passed legislation providing for the compilation of trade statistics, appeared to have been remedied to some extent in 1893. This step in legislation seemed to indicate a willingness to join in the way of modern ideas of commercial progress; but this mild measure, before and after it was proposed and passed, was the subject of the strongest organized opposition in the name of the main body of the commercial community, for reasons which it is very difficult to bring to light, but which appear to involve strong vested interests.

The popularity of the railway, as managed by the Government on co-operative principles, has continued to increase to a marked extent; the permanent way has been considerably improved; additional station accommodation has been provided, and a new workshop erected.

The profit, after making full provision for interest and sinking fund on the sums provided from the Immovable Property Account for the repair of the line, has been nominal.

Mr. L. Gatt, C.E., the Acting Manager of the railway, was authorised to proceed to England for a period of two months, in order to gain practical experience in the management of railways.

The quarantine measures adopted, on the advice of the Board of Health, seem to have usefully contributed in 1893 in preventing the appearance of cholera in the Island.

At the same time, these measures do not appear to have given rise to so much inconvenience or cause of complaint as in past years. Nevertheless, the requirements of trade, and the facilities demanded by shipping touching at Malta, tend to call for the progressive elimination of all quarantine. A system of frequent telegraphic correspondence with British Consuls around the Mediterranean has been of service in facilitating the attempts at constant compromise required from the Board of Health.

Towards the end of the year hopes began to be realized that the number of ships calling at this port was about to be again on the increase.

The vote of 1,000*l.* passed by the Council of Government for giving effect to additional sanitary precautions against the introduction of cholera led to the appointment of additional sanitary inspectors and to further reforms in matters bearing on public hygiene.

A joint Civil and Naval Committee, composed of the Admiral-Superintendent, the Chief Secretary to Government, the Collector of Customs and Superintendent of the Ports, three elected Members of the Council of Government, the Superintending Civil Engineer of the Dockyard, and the secretary to the Admiral-Superintendent, was appointed to report upon various claims to rights of water and wharfage in the harbour, which had been a cause of embarrassing uncertainty for many years. The Committee agreed to a report which was confirmed by a Resolution of the Council on 2nd August 1893. Many difficult questions of long standing were thus permanently settled.

The sanitary condition of the harbours appears to have been much improved by the embanking and dredging operations which have been carried out by the Civil and by the Imperial Authorities, and the complaints, previously common, in regard to the presence of stagnant, shallow water appear to have been left with little or no foundation. Steps have been taken to commence the construction of a Civil and Military Slaughter House on a site which will not drain into the harbour.

From a general point of view, considerable progress has been apparent in the standard of political feeling, inasmuch as both in the Council of Government and in the Press, the discussion of administrative questions has tended to become more expeditious and less connected with partisan considerations.

I have, &c.

(Signed) G. STRICKLAND,
Chief Secretary to Government.

To His Excellency
General Sir Arthur J. Lyon Fremantle, K.C.M.G., C.B.,
Governor and Commander-in-Chief.

No. 102.

NEWFOUNDLAND.

ANNUAL REPORT FOR 1892.

(For Report for 1891 *see* Colonial Report [Annual] No. 67.)

Presented to both Houses of Parliament by Command of Her Majesty.
March 1894.

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1894.

[C.—7319.]

COLONIAL REPORTS.

The following, among other, Reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page :—

ANNUAL.

No.	Colony.	Year.
66	Trinidad and Tobago	1891
67	Newfoundland	,,
68	British New Guinea	1891–92
69	Victoria	1891
70	Rodrigues	,,
71	Bermuda	1892
72	Fiji	1891
73	British Honduras	,,
74	Turks and Caicos Islands	1892
75	Gibraltar	,,
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 102.

NEWFOUNDLAND.

(For Report for 1891 *see* Colonial Report [Annual] No. 67.)

Sir TERENCE O'BRIEN to the MARQUESS OF RIPON

Government House, St. John's,
MY LORD MARQUESS, January 8, 1894.

I HAVE the honour to forward the Blue Book returns for 1892, which have been carefully prepared in the office of the Hon. the Colonial Secretary, together with a report from this officer.

2. It is a source of regret to me that much of the information given is in an incomplete form, owing to the wholesale destruction of so many of our Government Offices and of their records by the fire of the 6th July 1892.

3. The increasing debt of the Colony is also a subject of great anxiety.

I have, &c.
(Signed) T. O'BRIEN, Lieut.-Colonel,
Governor.

REPORT ON BLUE BOOK, NEWFOUNDLAND, 1892.

MAY IT PLEASE YOUR EXCELLENCY,

I HAVE the honour to forward you herewith the Blue Book of this Colony for the year 1892, for transmission to Her Majesty's Principal Secretary of State for the Colonies.

The destruction of the records of the Customs and other departments by the fire of the 8th July, 1892, has left me without the means of furnishing your Excellency with a full return under all heads. For purposes, therefore, of comparison the Blue Book of the year under consideration can be of little use, and this report can only deal in a general way with the subjects of trade, finance, shipping, and fisheries.

Having taken into consideration the official returns which are at our disposal, and the information derived from outside sources, we

NEWFOUNDLAND, 1892.

are led to the conclusion that the Colony was more than usually prosperous in 1892.

The sealing industry with which our fishing season opens was more than usually productive, yielding $84,977 more in returns than did 1891, which year was itself much above an average one. The Shore Cod Fishery was good; the Labrador, though less productive than that of 1891, was nevertheless above the average. The Bank Fishery shows an improvement in the average catch per vessel, though there is a falling off in the number of vessels engaged. The other fisheries were fairly up to the average, while the price realised for all compares favourably with that of other years.

Our farmers suffered from a short hay crop, but the extraordinary productiveness of the root and other crops more than compensated for this reduction.

The full return of exports embraced under the head of "mines," the records of which, coming on to St. John's subsequent to the fire, are available, show that this industry has been actively prosecuted, yielding a return valued at $380,592 in excess of 1891.

From the increased receipts under the head of duties for the part of the year previous to the fire we gather that the purchasing power of the Colony had in no way diminished. It is difficult to decide, with regard to the large increase of revenue for the latter half of the year, as to how much is due to the fire and how much to normal increase.

Deposits in the Savings Bank in 1892 amounted to $1,237,072, and withdrawals to $664,399, leaving an amount remaining on the books for the year of $572,673. The sum deposited in 1892 is $586,166 in excess of that deposited in 1891. A portion of this increase may be attributed to the city fire, and to the temporary deposit of moneys received by fire sufferers from the insurance companies.

Railway work during the building season, *i.e.*, from early in May to late in December, was continuous and afforded remunerative employment to several hundred of our people.

FINANCE.

The revenue of the Colony for the year 1892 was $1,883,790.55; that for 1891 was $1,973,275.34, from which, for purposes of comparison, should be deducted the amount received on account of loans ($153,069.54), sale of roadway and tools, Hall's Bay Line ($196,855.76), and insurance on public buildings burnt ($8,625); this will give us, as the revenue from normal sources, $1,623,350.04. From the revenue for 1892 must be deducted on account of insurance, public buildings burnt, $32,260, and the revenue from ordinary sources will be found to exceed that of 1891 by $260,440.51, all of which is due to an increased Customs

revenue, amounting to $307,443.58 more than in 1891. There was a falling off in the other sources of revenue, notably interest on guaranteed loan due by St. John's Municipal Council, an accretion of nearly three years' interest having been paid in 1891 while none was paid in 1892. This may be accounted for by the fact that the Council were unable to collect the usual taxes in the burnt section of the city, and that the whole of the taxes raised in the other and smaller sections were required to meet current expenses.

The expenditure for 1892 was $1,668,120.64 as against $1,831,432.43 in 1891. For purposes of comparison it will be necessary to exclude expenditure upon capital account which, in 1891, amounted to $153,069.54 and in 1892 to $22,983.04, and we find a reduction in the expenditure for 1892, as compared with that of 1891, of $33,225.29.

The statement dealing with the assets and liabilitie of the colony shows that the floating balance against the colony has been reduced during the year by $261,080.04.

The funded public debt of the colony has been increased during the year 1892 by $1,170,003.70 made up as follows—

	£
Debenture under St. John's Rebuilding Act	78,003.70
Railway Construction	1,092,000.00
	$1,170,003.70

It now stands at $6,393,367.41, 5½ millions of which bear interest at 3½ and 4 per cent.

Deducting from this total the debt due by the St. John's Municipal Council, and guaranteed by the Government, *i.e.*, $928,983.24 and adding the floating debt, $616,382.79, the actual public debt of the colony will be found to be $6,080,761.90 or about $33·00 per head of population.

To represent the increase of debt in 1892 there were 70 additional miles of railway built, and purchases of land were made subsequent to the fire for the widening of the streets and the general improvement of the town of St. John's.

TRADE.

The return of imports for 1892 is complete only as regards four outports; for the rest of the colony it is for the half-year ending 31st December. That of the exports covers St. John's and five outports for the whole year, the rest of the colony for the latter half. The figures given, though incomplete, indicate a favourable condition of trade, and, if we take into consideration the increase in Customs revenue for the first half year, would seem

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to point to an increased activity in business as compared with 1891, even after making the allowance for the abnormal importation of those articles required to replace the stock destroyed by the fire. We may therefore safely assume that the movements in trade in 1892 were quite equal to, if they did not surpass, those of 1891, while its conditions were equally prosperous. In confirmation of this assumption the following extract from the Budget Speech of the Hon. Receiver General, delivered on the 6th April 1893, may be quoted . . . "I believe I am "quite warranted in saying that the trade of the colony during "the year under consideration (1892) was quite equal, if not "superior, to that of any year within my recollection."

SHIPPING.

The shipping returns are only partial. They indicate an increase in the number of arrivals and departures over 1891 as also the tonnage entered and cleared.

There were, at the close of 1892, 2,202 vessels registered in Newfoundland, with a tonnage aggregating 92,009 tons.

LEGISLATION.

The Acts passed during the session of 1892 which from their importance call for special comment, are as follows—

The St. John's Municipal Act.

Consolidating and amending all former Acts. It defines the duties and functions of the Municipal Council, marks the limits of the town, and provides that all municipal functions are vested in the council subject only to revision of estimates and taxation by the Legislature.

The Education (Consolidation and Amendment) Act.

Arranges for the re-adjustment of grants in accordance with the census of 1891, and appropriates a sum of $20,000 in augmentation of teachers' salaries and for the establishment of a Teachers' Pension Fund.

Foreign Fishing Vessels Act.

Authorises the issue of Licences for one year, enabling foreign vessels to enter any port in the island for the purchase of bait and supplies, at a fee of $1.50 per ton.

Solemnization of Matrimony Amendment Act.

Permits commissioners and staff officers of the Salvation Army, when duly licensed by the Governor, to celebrate marriage.

And, during the Special Session called subsequent to the fire, the

St. John's Rebuilding Act (Amendment).

Describes the plan upon which the rebuilding of the town is to proceed, provides for the manner in which compensation for land taken shall be assessed and paid, and authorises the Government to assume the powers of the Municipal Council in relation to the laying out of the streets and other matters connected therewith.

Land Tenure Act

This Act provides that where, after the passing of this Act, a building lease shall be for less than 99 years the tenant shall be compensated for improvements, amount to be determined by arbitration and the method under which the same shall be conducted; directs that the awards shall be to the value, to the incoming tenant, of the improvements made, and that no account shall be taken of the increased value of land from any cause. It defines a building lease as a lease of land upon which the lessee erects a building with the consent of the lessor.

These and other Acts of minor importance passed during the two Sessions have already been fully reported upon by the Hon. the Attorney General.

EDUCATION.

There is very little of special importance to report under this head. The additional grant of $20,000 per annum, all of which is applied to bonuses for teachers according to grade and for the establishment of a pension fund, has given the greatest satisfaction. In 1891 there were 552 schools with an attendance of 33,094. In 1892 the figures were 504 and 34,526 respectively. The total expenditure, including Legislative Grant, fees, and voluntary contributions, amounted in 1892 to $138,369.

FISHERIES.

Owing to insufficient data I am, unfortunately, not in a position to report in a satisfactory or definite way upon the result of this, our chief industry. However, from sources other than those supplied by the figures in the Blue Book, and for the most part

NEWFOUNDLAND. 1892.

unofficial, I have obtained sufficient reliable information to be able to announce a successful result generally. The catch for some of the fisheries, though quite up to the average, was below that of last year, while others, notably the seal and shore cod fishery, were remarkably productive. With the exception of the lobster and Bank fishery the several branches of this industry were carried on more extensively than at any period during the last decade. A reason for this increased vigour can possibly be found in the excellent result of last year's operations, which doubtless induced our business people to provide a larger outfit. Dealing with each branch of the fishery separately, and entering somewhat more into details, I find that the result of the seal fishery for 1892 is valued as follows:—

	$
5,301 tons of oil - - - -	397,575.00
390,174 seal skins - - -	468,209.00
Total - - - - -	865,784.00

as against the following for 1891—

	$
4,478 tons of oil - - - }	780,807.00
364,981 seal skins - - }	
an increase of - - - -	84,977.00

Taken as a whole the cod fishery was, in its several branches, superior in its yield to that of last year. The full returns of the Shore and Labrador fisheries are not available but, as I have stated above, the information received from extraneous sources shows that the Shore catch was much above the average whilst that of the Labrador was slightly below. The Bank catch was exceedingly good for the smaller fleet engaged; the take per man being 65 qtls. as against 40 in 1891.

The pickled fish industry was very unsuccessful in all its branches. The catch of salmon was very small and the prices realised were low. The Shore and Labrador herring fishery was unfortunately one of the worst on record. The latter, which was, until the last three years, one of the most profitable and successful of our fisheries, appears to have failed entirely; the limited quantity of herring which now visit the shores of that dependency are both smaller in size and poorer in quality than in former years, indeed it may be said that the once famous "Labrador" herring has, during the last two or three years, entirely disappeared from its shores. It is to be hoped that this valuable fish will shortly return to Labrador waters and, unlike the mackerel, once very plentiful, but now rarely seen on our coasts, that it will provide our fishermen for many years to come with the means of supplementing, very largely, their earnings at the cod fishery.

The lobster fishery has not been as remunerative as in former years. The short catch is doubtless due to the establishment of a lengthy close season and to other restrictive legislation, principally directed against the taking of undersized fish. There can be no question as to the wisdom of this legislation. Prior to its initiation this fishery was prosecuted in such a way that its immediate and complete destruction appeared to be inevitable. Under the new regulations now in force I feel confident that in a few years this industry will again attain its former proportions. As another factor in producing a result so highly desirable must be mentioned artificial hatching. In 1892 429¾ millions lobsters, thus hatched, were planted in the various bays of the island.

SHIPBUILDING.

I regret I have nothing favourable to report with regard to this industry. In 1892 bounty was paid on only 15 vessels, aggregating 593 tons. In all probability the cause of this decline is to be found in the curtailment of the Bank outfit which threw a large number of the vessels employed in this industry into the other branches of our fisheries and thus offset the requirements due to losses or increased outfit.

LUMBERING.

As a set-off against the decadence in shipbuilding I have much satisfaction in reporting the increased prosperity in lumbering; indeed it is rapidly taking a high place among the industries of the colony. Although a partial return only of exports under this head is available, yet it will be noticed that nearly 1,000 M feet were exported in 1892 more than in 1891. How much more would have been available for exportation had it not been for the great fire it is impossible to say. Considerably more than half the enormous quantity of lumber required for the rebuilding of the destroyed city was supplied from our forests. It will be noted that notwithstanding the abnormal condition of things which existed subsequent to the fire, the importation of lumber during the half year ending December 31st (the period during which nine-tenths of the lumber imported for the year came in) was fully 1,000 M feet less than it was 10 years ago, when the importation represented a normal trade. $20 per M is the value set on the lumber, by the Customs authorities, exported to Great Britain, an estimate which I cannot but think is below the actual amount realised on an article the high value of which is now fully recognised in British markets.

MANUFACTURES.

I have little to report with regard to these beyond that they continue to increase, if not rapidly, at least steadily. No new ones

NEWFOUNDLAND. 1892.

have been enterprised this year, but although several of the most important manufactories were destroyed by the fire, yet, such was the energy displayed by their owners in rebuilding and replacing their stock, &c. that no serious loss resulted to either employers or employees.

AGRICULTURE.

The season of 1892 having been exceptionally dry the hay crop was short all over the island. The root crop was both abundant in quantity and excellent in quality. It may be said that on the whole the season was a fairly prosperous one for the farmers.

RAILWAYS.

During 1892 operations on the Hall's Bay Line were rapidly pushed forward and at the close of the season the line was open to the public for a distance of 135 miles. Some 15 miles more of iron was laid and in addition to that 27 miles of road were graded. It affords me much pleasure to note the extremely satisfactory way in which the contractor is carrying out the work of construction. By the end of the year the capital was connected by rail with the great Northern Bays of Trinity and Bonavista, and already the beneficial effect of this connection is being felt, enabling residents of those bays to travel to and obtain supplies from St. John's at a time when, previous to the construction of the railway, they were locked up in their respective harbours by the Arctic ice, which, for the greater part of the winter, blocks our north-eastern coast line.

MINING.

Mining statistics show an increase in value of more than one third over the previous year. The shipments of copper and other ores in 1892 were as follows:—

Ingots, 899 tons, value $213,288. Regulus, 5,744, value $316,584. Green, 20,000 tons, value $134,000. Iron pyrites, 35,176 tons, value $316,584. Total value, $980,456, as compared with $626,000 in 1891.

Asbestos mining is progressing satisfactorily. The several properties are being worked with a view to testing the extent of deposits rather than the extraction of the mineral. The indications afford good reason for the belief that this will prove of very considerable economic importance ere long.

I have, &c.
(Signed) R. BOND,
Colonial Secretary.

COLONIAL REPORTS.—ANNUAL.

No. 108.

ST. VINCENT.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 84.)

Presented to both Houses of Parliament by Command of Her Majesty.
August 1894.

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1894.

[C.—7319.-6.]

COLONIAL REPORTS.

The following, among other, Reports relating to Her Majesty's Colonial Possessions, have been issued, and may be obtained for a few pence from the sources indicated on the title page:—

ANNUAL.

No.	Colony.	Year.
72	Fiji	1891
73	British Honduras	,,
74	Turks and Caicos Islands	1892
75	Gibraltar	,,
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 108.

ST. VINCENT.

(For Report for 1892, *see* Colonial Report [Annual] No. 84.)

Sir Chas. Bruce to the Marquess of Ripon.

My Lord, Grenada, May 26, 1894.

I have the honour to transmit the Blue Book of the Colony of Saint Vincent for the year 1893, together with the report of the Administrator.

I have, &c.
(Signed) Chas. Bruce.

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1. *Taxes, Duties, and Fees.*

No changes were made under these heads during 1893, with the exception of an Order in Council, which exempted from import duty "all official goods for Foreign Consulates," in accordance with the provisions of section 3 of Ordinance No. 3 of 1893.

2. *Revenue and Expenditure.*

Revenue.

The Revenue for the year was 27,914*l.*, being just slightly in excess of he amount estimated for.

The only head which showed a falling off to any extent was Customs, 910*l.*

This was balanced by increases under Licences and Internal Revenue, 410*l.*, and Post Office, 555*l.*

Small increases and decreases under various other heads practically balancing each other.

The fall in Customs Revenue is due to general depression in trade during the year, especially in the dry goods trade.

Expenditure.

The total expenditure for the year was 29,439*l.*, 1,525*l.* in excess of the Revenue, or 1,676*l.* in excess of the estimate for the year.

The heads under which increases show are :—

Post Office, 596*l.*, due to increase of subsidy and transit charges.
Telephones, 156*l.*, additions to staff.
Audit, 103*l.*, two years' charge paid in 1893.
Hospitals, 204*l.*, necessary additional maintenance.
Miscellaneous, 132*l.*—Official Telegrams, 96*l.*; Town rates on Government buildings, 36*l.*
Public Works Extraordinary, 412*l.*—Repairing Layou Public Buildings, 182*l.*; Buccament Cemetery, 60*l.*; Experimental Distillery at Lower Diamond, 172*l.*

3. *Public Debt.*

At the close of 1893 the Public Debt of the Colony was 16,240*l.*, as against 15,250*l.* at the end of 1892.

The increase of the debt by 990*l.* is due to the raising of 1,500*l.* new debentures under the Kingstown Water Supply Loan Ordinance, 1889, necessary to refund the general revenue which had advanced the amount necessary to complete the new Waterworks, and also by the issue of debentures for a new loan of 1,000*l.*, authorised by the Georgetown Water Supply Loan Ordinance of 1893, which sum was required to repay the Treasury for having advanced to the Town of Georgetown 1,000*l.* out of the Revenue of the Colony; except the debt for Crown lands, all the other loans have been steadily reduced.

The following is a statement of the Public Debt at the end of 1893 :—

	£
Government House Loan	1,520
Public Buildings Loan	400
Crown Lands Expenditure Loan	1,920
Public Loan	1,850
Immigration Loan	2,750
Kingstown Water Supply Loan	6,800
Georgetown Water Supply Loan	1,000
	£16,240

4. *Public Works.*

The expenditure on Public Works during the year was 3,382*l.*, a sum very similar to the previous year, without counting the cost (about 1,000*l.*) of the telephone line to Windward; 1,121*l.* was spent on the roads.

Among the principal works undertaken in 1893 were the following:—

General repairs to public buildings.
Repairs to Government Office, Kingstown.
Re-building Layou Police Station.
Fitting up a close still at Lower Diamond.
Sanitary improvements, Colonial Hospital.
Fixing railings, Kingstown Jetty.
New Cemetery, Buccament.
Repairs, Kingstown Prison.

5. *Legislation.*

Ten Ordinances were passed in 1893, the titles of which are as follows:—

No. 1. To legalize the expenditure of certain sums of money paid from the general revenue for the service of the year one thousand eight hundred and ninety-one, in addition to the sums granted by the "Appropriation Ordinance, 1891."

No. 2. To provide for the service of the year one thousand eight hundred and ninety-three.

No. 3. To provide for the exemption from import duty of official goods imported for the use of foreign Consulates.

No. 4. To make further and better provision for the promotion of education.

No. 5. To legalize the expenditure of certain sums of money paid from the general revenue for the service of the year eighteen hundred and ninety-two, in addition to the sum granted by the "Appropriation Ordinance, 1891."

No. 6. To amend the "Kingstown Harbour Regulation Ordinance, 1885."

No. 7. To protect the Government telephone lines erected in this Island.

No. 8. To amend "the Public Officers Security Ordinance 1890."

No. 9. To raise a loan to repay to the general revenue of this Colony a loan made by it to the town of Georgetown under the "Georgetown Water Supply Ordinance, 1891."

No. 10 To raise a loan to meet the past and future expense of establishing the telephone system in this Island.

The more important of these measures were the following:—

No. 4. Education.—Under this Ordinance an improved system of education was introduced.

No. 7. Telephone.—This Ordinance gave powers for the protection, &c. of the newly created Government telephone lines.

Nos. 9 and 10.—Ordinances raising loans to refund the revenue for advances made by it for the Georgetown Waterworks and the establishment of telephones.

6. *Councils.*

The few changes that occurred under this head were :—

Mr. C. Ormond Hazell as Acting Attorney-General became *ex officio* a member of the Executive Council, and Mr. Geoffrey P. St. Aubyn, while acting as Treasurer during the absence on leave of Mr. F. B. Griffith, and again when acting as Attorney-General, became *ex officio* a member of the Executive Council.

Mr. C. J. Simmons was re-appointed by Her Majesty the Queen an unofficial member of the Legislative Council, 1st January, 1893.

7. *Civil Establishment.*

The following changes occurred :—

His Excellency the Hon. Sir Walter Hely-Hutchinson, K.C.M.G., left the Government of the Windward Islands on 30th June on promotion.

His Excellency Sir Charles Bruce, K.C.M.G., assumed the Government of the Windward Islands on 25th October, and of St. Vincent on 18th November.

Captain Maling C.M.G., resigned his appointment on 30th June.

Mr. Edward Drayton administered the Government of St. Vincent from 1st to 3rd July.

Colonel J. H. Sandwith, C.B., assumed the Government of the Colony on 4th July.

Mr. Musgrave from 1st June performed the duties of Superintendent of Crown Lands only. Mr. Griffith was appointed to act as Chief Clerk during his absence.

Mr. Grannum left the Colony on 2nd June on promotion. Mr. Rice was appointed to act as Second Clerk, Government Office.

Mr. St. Aubyn, Police Magistrate, Kingstown District. acted as Treasurer, during the absence on vacation leave of Mr. Griffith, from 3rd to 20th November.

Mr. Emett acted as Chief Landing Waiter during the absence on leave of Mr. Isaacs. Mr. Brown acted as Second Landing Waiter.

Mr. Osment acted as Chief of Police from 1st to 3rd January.

Mr. Mayers was appointed to act as Inspector of Schools, while Mr. Griffith performed the duties of Chief Clerk, Government Office.

Mr. O. Hazell performed the duties of Attorney-General from 17th June to 30th November, during the absence of Mr. O. Smith; Mr. St. Aubyn acted in the same capacity from 1st December.

Mr. Dalrymple acted as Clerk to the Registrar during the absence on leave of Mr. Huggins.

Mr. W. E. Davis acted as Registrar of Births, Marriages, and Deaths, Kingstown District, during the absence on leave of Mrs. Checkley.

8. *Pensions.*

During the year one pension has been granted viz.:—

	£
Scipio T. Hunt, late police constable - -	15

The pension list has, on the other hand, been relieved by the deaths of the following pensioners :—

	£	s.	d.
William Cupid, late police constable -	18	15	0
William Goodridge, „ „ -	26	13	4
Rev. H. Flint, of over 21 years' service as curate of St. George's Cathedral -	50	11	1
	£95	19	5

9. *Consuls.*

Senor M. Bermudez Lecuna was appointed Consul for the Republic of Venezuela, but resides at Grenada.

10. *Population.*

The total population of the Colony at the end of 1893 was computed to be 43,300.

The births, marriages, and deaths in the year were :—

Births, 1,832, add 98 still-born.
Marriages, 238.
Deaths, 1,128, add 98 still-born.

the birth-rate and death-rate per thousand being respectively 44·2 and 26·2.

Owing to an epidemic of bilious remittent fever in the Grenadines during last autumn, the death-rate amongst those Islands rose to 30·6, or exactly double that of 1892; except for this difference, the remaining districts of St. Vincent preserved their nominal rates, and again proved the exceeding healthy climate that this Colony is noted for.

11. *Education.*

There were 45 schools open during the year, 41 in the Island of St. Vincent and four in the Grenadines,—the school in Mayreau Island, which was closed in 1892, having been re-opened—with an average attendance of 3,219, and a total of 5,958 names on the registers.

From the subjoined comparative statement it may be satisfactorily observed that the statistics show a considerable increase on the previous year, except in the return of "Average Attendance."

—	1892.	1893.
Number on rolls - - - -	5,848	5,958
Average attendance - - - -	3,292	3,219
Candidates presented at annual examinations	2,878	3,015
Passes in the standards - - -	2,494	2,729
Marks awarded - - - -	31,480	42,771

The total amount of the Government grant to primary schools was as follows:—

	£	s.	d.
Results - - - -	1,044	7	0
Capitation Fees - - -	742	8	8
Pupil Teachers - - -	121	10	0
Rent, Repairs, Furniture - -	24	0	0
	£1,932	5	8

The rules under the new Education Ordinance came into force in October. A classification of the teachers has taken place, and certificates have been granted them according to their qualifications. It may be added that the system of payments is different from the plan adopted under the old rules, where teachers were paid by results and capitation fees on average attendance. Under the new scheme, teachers are paid under four headings:—(i.) Capitation; (ii.) Results; (iii.) Discipline bonus; (iv.) Class certificate. It seems that, with the new Education Ordinance, the grant for Education will have to be considerably increased later on.

A further sum of 121*l.* 6*s.* 8*d.* was granted in aid of the Kingstown Grammar School, 21*l.* 6*s.* 8*d.* of which represents capitation fees allowed on the grils' department which is attached to the school.

12. *Imports and Exports.*

Imports.

The value of the Imports during 1893 amounted to 93,424*l.*, or less than in 1892 by 9,557*l.*

	£
The Imports from the United Kingdom fell off	7,926
and from the Colonies	4,124
Together	12,050
But from foreign countries (United States, 2,510*l.*, less decreases from other places, 17*l.*) there was a net increase of	2,493
thus leaving a net general decrease of	£9,557

The decrease in the value of Imports from the United Kingdom was of goods liable to "*ad valorem*" duty, not enumerated, chiefly what are known as "dry goods" (4,507*l.*); also, machinery (1,039*l.*), Government importations (1,323*l.*); sundry other items complete the difference.

The decrease in the Imports from the British Colonies is referable to no particular items, but is general.

These decreases may be regarded as nominal, being due to importations direct from the United States of goods which would otherwise have appeared as being imported from Barbados.

In this way, also, the increase of Imports from the United States may be accounted for.

Exports.

The value of the Exports in 1893 was 114,694*l.*, a decrease as compared with 1892 of 2,878*l.*

	£
The value of Exports to the United Kingdom decreased	10,528
and to the Colonies	772
Together	11,300
But those to foreign countries increased by (net)	8,422
making the net difference	£2,878

as shown above. The increased export to the United States was 11,780*l.*, but there was a large decrease in respect of other foreign places. The increase in the value of Exports to the United States was due up to the amount of 10,339*l.* to increased price of sugar. The whole of that product, 3,319 hogsheads (less three hogsheads), was shipped to that country.

ST. VINCENT. 1893.

The following tables of the chief products of the Colony exported will be of some interest :—

Table of Quantities exported reduced to the common Standard.

—	1893.	1892.	Increase, 1893.	Decrease, 1893.
Sugar - - - - hhds.	3,619	3,884	—	265
Rum - - - - puns.	242	566	—	324
Molasses - - - - casks	749	1,367	—	618
Arrowroot - - - barrels	22,310	23,433	—	1,123
Cocoa - - - - lbs.	130,854	129,589	1,265	—
Cotton - - - - lbs.	33,249	49,396	—	14,147

Table of Destination of the Products given in the preceding Table.

—	United Kingdom.	British* Colonies.	United States.	Other Colonies.
Sugar - - - - hhds.	—	—	3,616	3
Rum - - - - puns.	206	6	—	30
Molasses - - - - casks	25	25	533	166
Arrowroot - - - barrels	15,860	6,067	66	317
Cocoa - - - - lbs.	73,764	56,238	672	180
Cotton - - - - lbs.	14,460	18,849	—	—

* Almost entirely Barbados.

13. *Shipping.*

The total number of sailing vessels entered during the past year was 303.

The tonnage of these vessels in the aggregate amounted to 12,897 tons ; their crews to 1,682.

The total number of sailing vessels cleared was 304, with a tonnage of 13,505, and crews 1,748.

The total number of steam vessels entered was 109, with tonnage amounting to 123,840, and crews 4,679.

The same number of steam vessels cleared as were entered.

Of the sailing vessels the nationalities were as follows :—

Nationality.	Entered.	Cleared.
British	276	278
American	7	5
Venezuelan	11	11
Dutch	7	7
French	2	2
Norwegian	—	1
Total	303	304

All the steam vessels entered and cleared were British.

The following is a comparative statement of the sailing vessels entered and cleared during the last two years :—

	1892.		1893.		Decrease.	
	No.	Tons.	No.	Tons.	No.	Tons.
Entered	313	13,566	303	12,897	8	669
Cleared	301	14,382	304	13,505	3	877

The following table also shows the differences in the number and tonnage of steam vessels entered and cleared as compared with the previous year :—

1892.		1893.		Increase.	
No.	Tons.	No.	Tons.	No.	Tons.
105	119,154	109	123,840	4	4,686

St. Vincent. 1893.

14. *Agriculture.*

Under this heading reference must be made to the Botanic Station which shows great progress since its re-establishment in 1890, when a portion of the grounds of the Old Botanic Garden of St. Vincent, which was the first of its kind in the West Indies, and started in 1765, but allowed in 1849 to go out of cultivation, was again turned into use.

It is most interesting to note that the present Botanic Station is of great assistance to the Colony, and of growing importance to the planters, who are able to study the various experiments conducted for the benefit not only of the planter class, but also of the peasant proprietors.

During the last year grants of coffee and cocoa plants have been made to the purchasers of Crown Lands, to encourage the growth and produce of those valuable trees, which should ere long add considerably to the revenue of the Colony and the prosperity of the planters themselves.

The authorities of Kew Gardens give every assistance, not only in giving advice but also in furnishing valuable seeds and plants, and in the hands of the indefatigable and energetic Curator, Mr. H. Powell, the future success and development of the Botanic Station is assured, and it is to be hoped that the minor industries of fruit products throughout the Island will receive greater attention than has lately been the case.

During the fall of the year, a small Meteorological Station was formed in the gardens, and reliable observations were recorded for the last quarter.

Though sugar is still the chief staple product, the cultivation of arrowroot is largely on the increase, and, after the introduction of a better class of machinery, since 1890, the quality of arrowroot has much improved.

Much greater attention has lately been paid to the cultivation of cocoa, coffee, and spices, and several new plantations are now commencing to bear with a hopeful promise for the future; the frequent visits of the Curator to different localities, and his practical lessons on planting and pruning, given on the spot, are productive of much good.

15. *Crown Lands.*

Though only seven grants were actually made in 1893, as compared with 74 in 1892, there were no less than 108 fresh applications for grants, representing an area of 676 acres, as against 505 in the previous twelve months, whilst new villages have been laid out in convenient sites, from which 32 village lots have been sold in addition to the 108 applications mentioned above.

The sum of 1,147*l.* 9*s.* 3*d.* was paid into the Treasury in 1893 (929*l.* 4*s.* 5*d.* since the 1st June) in connexion with the survey and allotment scheme, showing a satisfactory working, especially during the latter half of the year, when money is always more plentiful amongst the peasantry.

The compulsory-cultivation clauses are being carried out satisfactorily, and the crops of 1896 should show a marked increase in the exports of cocoa, nutmegs, and coffee from lands which hitherto have returned no revenue to the Colony.

The scheme being now well established, its success in dealing with the question of unemployed and unoccupied lands is assured, both from a philanthropic and a financial point of view.

The movement, moreover, which is more or less a social revolution, is being accomplished without friction in this Colony, very little opposition being shown, even by those whose personal interests may be deemed antagonistic to that part of the scheme which establishes an independent class of small proprietors on the boundaries of their estates.

This favourable result in St. Vincent should have an important influence on the same problem which still remains to be solved in some of the West Indian Islands.

Great interest in the progress of the scheme was shown by Mr. Reeve, the Director of Surveys, who, ably assisted by Mr. Musgrave, Superintendent of Crown Lands, worked hard to develop the resources of this fertile Island.

16. *Prisons and Prisoners.*

The following table presents a comparative statement of the working of the prison during the last four years :—

Year.	Number of Commitments.	Committed for Debt.	Committed for Custody, for Trial, or for want of Sureties.	Committed for Penal Imprisonment.	Number of Prisoners previously convicted.			Commitment for				Daily Average in Prison.	Admission to Hospital.	Daily Average on Sick List.	Number of Deaths.
					Once.	Twice.	Three or more.	Five Years or more.	More than One Year and less than Five Years.	More than Three Months and less than One Year.	Three Months or less.				
1890 -	170	3	48	119	4	8	10	3	8	2	104	20·0	2	·3	1
1891 -	175	1	40	135	16	7	9	1	3	4	127	26·25	1	·38	—
1892 -	186	3	54	129	17	10	23	3	7	18	101	33·20	2	·27	—
1893 -	149	2	41	106	19	9	29	1	12	3	90	31·27	3	·45	—
Total -	681	9	183	489	56	34	71	8	30	27	424	110·72	8	1·40	1
Average -	170·25	2·25	46	122·25	14	8·5	18	2	7·5	6·75	106	27·68	2	·35	·25

17. *Criminal Statistics.*

There was an increase of 287 in the number of offences reported to the police, the total being 1,633, against 1,346 in 1892; the increase shows under the headings of Prædial Larceny and other offences, but does not in any way signify that crime is more rife than heretofore.

The following table explains how the cases were disposed of in the magistrates' courts:—

Discharged for want of prosecution	506
Dismissed on the merits	214
Summarily convicted	885
Committed for trial	28

The cases tried in the Superior Court were disposed of as follows:—

Judgment for the Crown	21
Judgment for prisoner	5
Cases not prosecuted	8

The 21 convictions were for the following offences:—

For rape	1
„ other offences against the person	5
„ robbery with violence	1
„ other offences against property	14

18. *Hospitals.*

At the close of 1892 there were 60 patients in Hospital, 40 being males and 20 females.

In 1893 there were 441 admissions of patients, 301 males and 140 females, so that a total of 501 were treated, giving a daily average of 62·5, a slight increase over 1892.

Ninety-nine operations were performed, and it is with satisfaction a note can be made that only one death resulted.

The accompanying table shows number of cases treated under the different classes, with the number of deaths, as compared with 1892:—

Diseases treated.	1892.		1893.	
	No. of Cases.	No. of Deaths.	No. of Cases.	No. of Deaths.
General	117	17	125	11
Local	284	14	308	30
Injuries	58	1	68	1
Total	459	32	501	42

19. *Literary Institutions.*

The St. Vincent Public Library, which had become moribund, was revived in 1892, and re-opened last year in Kingstown by the aid of a Government grant.

At the end of 1893 there were 103 subscribers, who evinced, by their daily attendance, great interest in the reading rooms and library, thus proving what a boon the institution is to a large number of residents.

20. *Savings Banks.*

The following table shows the transactions of the Savings Bank for the last five years:—

Year.	No. of Depositors.	Amount of Deposits.	Amount of Withdrawals.	At Credit of Depositors at 31 December.
		£ s. d.	£ s. d.	£ s. d.
1889 - -	920	3,865 10 3	6,019 15 11	8,640 2 7
1890 - -	956	4,607 8 11	4,224 16 2	8,797 1 4
1891 - -	938	5,215 16 8	5,474 5 9	8,714 13 3
1892 - -	946	4,843 5 6	4,750 14 2	8,957 10 6
1893 - -	1,001	4,514 0 3	5,154 4 0	8,317 6 9

The rate of interest allowed to depositors is 2½ per centum per annum, and the total amount of interest that accrued to depositors was 188*l.* 18*s.* 6*d.*

21. *Friendly Societies.*

The number of Friendly Societies registered now amounts to 29, showing an increase of eight on last year: nine societies having been added to the list and one discontinued. Most of these have been in existence two or three years, but were only registered, in accordance with the Friendly Societies Act, during 1893.

22. *Telephones.*

A great advance was made in the telephone system, especially during the latter half of 1893.

At the close of the year there were five exchanges, with 100 connections, proving the system, though far from complete, to be a complete success.

The work of construction still continues, the only drawback being the difficulty of supplying the requisite plant quick enough to meet the demands of intending subscribers.

It is impossible at present to say anything more of the financial aspect of the telephone system than that the revenue will amply balance the expenditure.

23. *Post Office.*

The total revenue of the Post Office was 1,516*l.* 16*s.* 3*d.*, showing an increase of 300*l.* on 1892; however, against this must be set off an increased expenditure, due, however, to conveyance of mails beyond the Colony.

The actual postal business shows a steady advancement, 82,259 letters and cards having been posted in 1893, as against 76,670 in 1892.

Four new branch Post and Money Order Offices were opened in 1893, and, from the amount of work done, fully justify the additional expenditure on account of the advantages in the shape of postal communications throughout the Colony.

(Signed) J. H. SANDWITH,
St. Vincent, 18th May 1894. Administrator.

COLONIAL REPORTS.—ANNUAL.

No. 111.

TURKS AND CAICOS ISLANDS.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 74.)

Presented to both Houses of Parliament by Command of Her Majesty.
August 1894.

LONDON:
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1894

[C.—7319-9.]

COLONIAL REPORTS.

The following, among other, Reports relating to Her Majesty's Colonial Possessions have been issued, and may be obtained for a few pence from the sources indicated on the title page:—

ANNUAL.

No.	Colony.	Year.
75	Gibraltar	1892
76	Bahamas	,,
77	Leeward Islands	,,
78	Trinidad and Tobago	,,
79	Malta	,,
80	Gambia	,,
81	Straits Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,
108	St. Vincent	,,
109	Gibraltar	,,
110	Bahamas	,,

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 111.

TURKS AND CAICOS ISLANDS.

(For Report for 1892, *see* Colonial Report [Annual] No. 74.)

Acting Governor BENGOUGH to the MARQUESS OF RIPON.

King's House, Jamaica,
May 25, 1894.

MY LORD,

I HAVE the honour to forward to your Lordship a copy of the Blue Book of the Turks and Caicos Islands for the year 1893, with the Commissioner's Report thereon.

I have, &c.
(Signed) H. BENGOUGH,
Administering the Government.

REPORT ON THE BLUE BOOK OF THE TURKS AND CAICOS ISLANDS FOR THE YEAR 1893.

1.—*Revenue and Expenditure.*

The Revenue collected in 1893 was 7,434*l.*, as compared with 7,836*l.* in 1892, and exceeded the estimate by 372*l.* The balance carried forward from the previous year was 2,776*l.*, giving a gross revenue of 10,210*l.* The export of salt, though slightly above the average, was less than in 1892, with a corresponding decrease in the revenue total.

The total expenditure amounted to 7,817*l.*, being more by 221*l.* than the sum expended in 1892. Of this amount, 7,095*l.* was ordinary expenditure, against 6,926*l.* in 1892, and 722*l.* was for special works and services, the sum so spent in 1892 having been 670*l.*

The revenue collected within the year was less by 383*l.* than the total expenditure within the same period, and the balance to carry forward to 1894 was consequently reduced. The sum so carried forward was 2,393*l.* and the Dependency has to its credit a further sum of 1,000*l.* invested, making a total credit balance of 3,393*l.*

Statements showing the details of revenue and expenditure for the last two years are attached :—

Revenue.

1892.

	£	s.	d.	£	s.	d.
Balance from 1891	—			2,535	16	8
Import duties	3,038	19	11			
Royalty on salt exported (1,788,334 bushels)	2,608	0	10			
Light dues	764	15	8			
Sales of Crown Lands	12	18	5			
Rents and leases	197	2	7			
Auction dues	23	7	2			
Liquor licenses	75	0	0			
Wine do.	87	0	0			
Dog tax	15	3	9			
Postage	176	2	7			
Commission on money orders	45	11	4			
Fines from Supreme and Police Courts	42	0	2			
Fees of office	70	1	4			
Wharfage and storage	19	1	4			
Grant in aid of mail service	250	0	0			
Interest on money funded	40	0	0			
Miscellaneous Revenue	371	1	1			
				7,836	6	2
To Balance brought down, 2,776*l.* 5*s.* 4*d.*				10,372	2	10

1893.

	£	s.	d.	£	s.	d.
Balance from 1892	—			2,776	5	4
Import duties	2,886	4	5			
Royalty on salt exported (1,650,907 bushels)	2,407	13	4			
Light dues	721	10	4			
Sales of Crown Land	0	15	0			
Rents and leases	207	19	2			
Auction dues	23	7	6			
Liquor licenses	75	0	0			
Wine do.	72	10	0			
Beer do.	9	0	0			
Dog tax	15	3	9			
Postage	145	15	8			
Commission on money orders	39	5	5			
Fines from Supreme and Police Courts	20	8	4			
Fees of office	61	12	3			
Wharfage and storage	19	13	0			
Grant in aid of mail service	250	0	0			
Interest on money funded	40	0	0			
Miscellaneous Revenue	437	18	8			
				7,433	16	10
To Balance brought down, 2,393*l.* 11*s.* 4*d.*				10,210	2	2

Expenditure.

1892.

	£	s.	d.	£	s.	d.
Commissioner's Department - - -	2,090	0	9			
Judicial do. - - -	569	4	0			
Medical do. - - -	200	0	0			
Jail do. - - -	331	0	1			
Police do. - - -	264	16	8			
Light House do. - - -	240	4	3			
Pensions - - - - - -	942	3	0			
Public works - - - - - -	401	2	8			
Education - - - - -	562	17	5			
Registration of births and deaths - -	14	13	0			
Inquests - - - - - -	11	16	0			
Printing - - - - - -	100	0	0			
Stationery - - - - -	20	10	11			
Grant in aid of public library - -	50	0	0			
Poor relief - - - - -	142	8	0			
Mail service - - - - -	478	6	8			
Maintenance of lunatics - - - - -	55	3	0			
Post Office expenses - - - -	24	19	6			
Agriculture at the Caicos - - -	18	6	10			
Salary of Clerk of Market and Wharf Lightkeeper	18	0	0			
Grant in aid of maintenance of buoys, C. harbour	30	0	0			
Relief of distress at the Caicos - - -	116	19	8			
Drawbacks on imports - - - -	13	1	8			
Quarantine expenses - - - - -	8	7	11			
Sanitary do. - - - - -	134	13	6			
Unforeseen contingencies - - -	87	6	8			
				6,926	2	2
Expenditure from Surplus Revenue.						
North tank and catch, Grand Turk - -	55	15	3			
Wall at catch, North Tank, do. - -	20	17	0			
Repairs to roads do. - -	140	0	0			
Extension of wharf do. - -	209	8	11			
Removal of shoals do. - -	18	19	8			
Landing wharf, Salt Cay - - -	73	7	1			
Catch for Public Tank, do. - - -	49	19	10			
Tank, Cockburn Harbour - - -	101	7	7			
				669	15	4
				7,595	17	6
Balance - - - - - - - - -				2,776	5	4
				10,372	2	10

1893.

	£	s.	d.	£	s.	d.
Commissioner's Department - - -	2,187	8	2			
Judicial do. - - -	431	4	1			
Medical do. - - -	200	0	0			
Jail do. - - -	304	6	6			
Police do. - - -	254	5	0			
Light House do. - - -	223	12	6			
Pensions - - - - - -	910	1	4			
Public works - - - - -	761	14	6			
Education - - - - - -	550	8	10			
Registration of births and deaths - -	14	6	0			
Vaccination - - - - -	8	17	0			
Inquests - - - - - -	3	12	0			
Printing - - - - - -	100	0	0			
Stationery - - - - -	25	10	7			
Grant in aid of public library - -	50	0	0			
Poor relief—ordinary - - £ 142 3 3						
at the Caicos - 18 16 3						
	160	19	6			
Mail service - - - - -	500	0	0			
Maintenance of lunatics - - - -	54	15	0			
Post Office expenses - - - -	51	17	2			
Agriculture at the Caicos - - -	3	2	0			
Salary of Clerk of Market and Wharf Lightkeeper	18	0	0			
Grant in aid of maintenance of buoys, C. harbour	30	0	0			
Sanitary expenses - - - - -	118	3	10			
Unforeseen contingencies - - - -	132	8	1			
				7,094	12	1
Expenditure from Surplus Revenue.						
Removing shoals near wharf, Grand Turk -	42	9	0			
Range lights at do. do. - -	25	13	9			
Repairs to roads, Hawk's Nest do. - -	50	0	0			
"Taylor's Folly," Salt Cay - - -	6	0	0			
Tank, do. - - - -	140	12	0			
Do. Cockburn Harbour - - -	261	7	1			
Contribution to St. John's Fire Relief Fund -	50	0	0			
Government yacht - - - - -	145	16	11			
				721	18	9
				7,816	10	10
Balance - - - - - -	-	-	-	2,393	11	4
				10,210	2	2

2.—*Public Works.*

Much useful work was accomplished in this Department, a larger sum than usual having been wisely voted by the Legislative Board to meet the cost of very necessary repair and general upkeep and improvement of Public buildings and other Government property. The more important works under this head were a substantial wall enclosing the catch of Matthew Tank (76*l.*), general repairs and painting of the Public offices (54*l.*), re-roofing, ceiling, and painting the Court House (158*l.*)

There was also considerable expenditure on special works, of which the chief items were a new tank at Salt Cay (141*l.*) and 146*l.* paid for the purchase and conveyance to Grand Turk of a small yacht obtained by my predecessor, Mr. Higgins, at New York, for use principally at the Caicos Islands. The new tank and catch at Cockburn Harbour, the construction of which was commenced in 1892, was also nearly completed.

A brief memorandum of the expenditure at the three ports of the Dependency is attached:—

——	Grand Turk.	Salt Cay.	Cockburn Harbour.
	£ s. d.	£ s. d.	£ s. d.
Public roads and abutments.	42 5 0	34 5 10	66 7 6
Tanks and wells - -	91 10 7	8 14 10	2 4 0
Public buildings - -	287 11 7	10 16 2	55 0 8
Miscellaneous (including materials).	138 17 7	1 19 8	22 1 1
	560 4 9	55 16 6	145 13 3

	£ s. d.
Grand Turk - - - -	560 4 9
Salt Cay - - - -	55 16 6
Cockburn Harbour - - -	145 13 3
	£761 14 6

Special Works.

	£ s. d.
Removing Shoals, Grand Turk - -	42 9 0
Range Lights do. - -	25 13 9
Hawks Nest Road do. - -	50 0 0
"Taylor's Folly," Salt Cay - - -	6 0 0
Tank do. - - -	140 12 0
Do. Cockburn Harbour - - -	261 7 1
Contribution to St. John's Fire Relief Fund	50 0 0
Government Yacht - - -	145 16 11
	£721 18 9

3.—*Legislation.*

The following Ordinances were passed by the Legislative Board during the year :—

No. 1—The Annual Appropriation Ordinance.
No. 2—The Supplementary Appropriation Ordinance.
No. 3—The Parcels Post Collection of Duties Ordinance.
No. 4—The Dog License Ordinance.

A general revision, amendment, and simplification of the laws of the Dependency is much needed, and is now being gradually proceeded with.

4.—*Legislative Board.*

Mr. H. Higgins, the Commissioner and President of the Board, went on leave of absence in 1892, and remaining absent, the post of President continued to be filled by the Acting Commissioner, Mr. E. H. Johnson, until the arrival in the Dependency on the 2nd March of Mr. E. J. Cameron, who was appointed to take Mr. Higgins's place.

Mr. Johnson, who was, as Judge of the Supreme Court, an *ex officio* member of the Board, died on the 4th May, the vacancy thus created remaining unfilled until the arrival in December of the newly appointed Judge, Mr. W. E. Cleaver.

5.—*Civil Establishment.*

Mr. H. Higgins obtained an extension of his leave of absence to the 12th December, on the ground of ill-health, at the expiration of which time he resigned. Mr. E. J. Cameron, Commissioner of the Virgin Islands, arrived in the Dependency on the 2nd March, having been appointed to act as Commissioner, and he was subsequently confirmed in that office.

Mr. Cameron also acted from May to November as Judge of the Supreme Court, which office became vacant by the death of Mr. E. H. Johnson.

Mr. W. E. Cleaver, a District Commissioner of the Gold Coast Colony, who was appointed to fill Mr. Johnson's place, arrived and took up his duties as Judge on the 1st December.

Mr. L. S. Leslie, Assistant Commissioner at Cockburn Harbour, died on the 6th October, at New York, where he had proceeded on leave of absence, his place being filled temporarily by Mr. W. A. Astwood, the boarding and Revenue officer of that settlement.

Mr. J. A. Gardiner, Corporal of Police and Foreman of Works, died on the 26th September, and was succeeded by Mr. F. E. Todd.

6.—*Foreign Consuls.*

The following countries are represented:—
United States of America.
Sweden and Norway.

Denmark.
France.
Spain.
Dominican Republic.
Haytian Republic.

7.—*Pensions.*

Mr. T. Graham, late Crown Commissioner, who was in receipt of a pension of 48*l.*, died at Belize on the 10th May. There were no other changes. The total sum paid in pensions was 910*l.*

8.—*Education.*

The following remarks and table are taken from the Report of the Chairman of the Board of Education :—

The average number of scholars on the books at the usual six schools, excluding the one at Bottle Creek, which has only been recently opened, is lower than that of the previous year, though the figures are in excess of those for 1890 and 1891. The average attendance has also fallen considerably, being nearly 25 per cent. smaller than in 1892, the chief falling off being at Grand Turk and Blue Hills, where the figures are 75 and 32 respectively as against 103 and 61.

I cannot regard this as a satisfactory state of things, and in view of the comparatively large sum which the Dependency annually sets aside for educational purposes, I think better results should be obtained. The matter is one to which I hope to be able to devote some attention at a later date, when the state of public business permits of my doing so.

Summary of School Returns for the year ended 31*st December*, 1893.

School.	Teacher.	Average Number on Books.	Average Attendance.	Number of Days in operation.	Cost of Schools.
					£ s. d.
Grand Turk - - -	R. G. Wint - - -	238	75	226	140 8 2
Salt Cay - - - -	N. W. Astwood - -	49	26	221	69 1 6
Cockburn Harbour -	T. T. Godet - - -	94	56	227	105 1 0
Kew - - - - -	G. C. Thomas - -	68	45	226	66 0 0
Blue Hills - - -	S. Irons - - -	99	32	19*	66 0 0
Bottle Creek - - -	J. E. Clark - - -	109	71	57	18 18 0
Lorimers - - - -	J. J. Tucker - - -	112	59	214	48 0 0
Total - - -	—	769	364	—	†513 8 8

* Sic.
† Exclusive of 23*l.* 17*s.* 0*d.* expended for inspection and 13*l.* 3*s.* 2*d.* for school books, &c.

The existing condition of things is far from satisfactory. A comparatively large sum of money is being spent, with, I fear, very little to show for it. In Grand Turk and Cockburn Harbour especially, parents seem to be entirely indifferent as to their children going to school, and make no effort to enforce attendance or punctuality, but rather the reverse; the result is an average attendance of 75 and 56 respectively, whereas the figures should, at a low estimate, be about 200 and 100.

In view of the sparse attendance at Grand Turk, the Assistant Teacher there was removed by me and sent to Bottle Creek in the Caicos, where the people had petitioned for a school, and given proof of being in earnest by building a teachers' dwelling; he has, I am glad to say, succeeded in getting together a school of some 80 odd children, who were previously running wild, without any kind of discipline or training.

This is, however, the only encouraging feature that I can report, and the subject is one which will require to be taken up and dealt with as a whole, as soon as circumstances permit.

With this end in view, the Superintending Inspector of schools from Jamaica is, at the time of writing, making an inspection of the schools throughout the Dependency.

9.—*Imports and Exports.*

The import duties are slightly below the average, being 153*l.* less than the last year's figures. Two-thirds of this falling off are in the item of lumber, of which there was a comparatively large stock in hand from wrecks in the two previous years.

The export of salt was fair, being 1,651,000 bushels, of which more than one quarter was ground fishery salt for British North America.

The season was a favourable one for the salt industry, especially at Cockburn Harbour, and a large crop was reaped; the stock on hand at the three ports, at the commencement of 1894, was unusually large—700,000 bushels

Unfortunately the price of salt throughout the year was down to a very low figure, and up to the time of writing there has been no improvement in this respect, while the demand has not been brisk.

It is hoped that the "Wilson Bill" in the United States, by which salt is placed on the free list, may become law, as it would benefit the trade by causing an increased demand, even if it did not directly influence prices.

Comparative tables, showing the trade and other statistics of the Dependency, are attached.

COLLECTION of IMPORT DUTY for the Year 1893, in comparison with the preceding Years, 1891 and 1892.

Imports.	1891.	1892.	1893.
	£ s. d.	£ s. d.	£ s. d.
Alcohol	—	20 8 0	—
Ale, porter, cider, &c.	6 8 6	7 8 2	10 5 2
Bay water	5 19 0	12 18 0	4 18 0
Bread	21 18 9	18 18 9	21 5 0
Butter	65 0 9	59 18 8	60 19 0
Cheese	29 10 0	23 9 11	21 19 8
Cigars	16 4 3	3 13 9	2 19 3
Flour, wheat	483 15 1	518 3 2	528 0 1
Lard	73 10 5	83 0 6	78 19 7
Lumber and shingles	162 7 4	125 13 3	17 8 11
Meat, salted and cured	215 4 7	215 15 4	200 13 9
Oils	48 17 5	35 2 10	40 10 1
Paint in oil	17 2 2	12 3 0	11 3 3
Rice	65 8 0	74 5 9	73 8 9
Rum, brandy, gin, cordials, &c.	625 14 6	622 8 2	568 9 4
Soap	28 7 5	43 4 6	54 16 6
Sugar	283 5 10	306 11 7	274 13 8
Tea	35 6 6	41 6 0	36 13 6
Tobacco	40 17 7	48 6 2	41 17 6
Wine	38 0 7	21 14 8	28 12 1
Ad valorem duties	756 5 9	744 9 9	808 11 4
	3,019 4 5	3,038 19 11	2,886 4 5

VALUE of IMPORTS for the Years 1891, 1892, and 1893.

1891.	1892.	1893.
£ s. d.	£ s. d.	£ s. d.
26,891 17 4	25,387 12 2	24,888 4 6

VALUE of EXPORTS of DOMESTIC PRODUCE and MANUFACTURES in the Years 1891, 1892, and 1893.

—	1891.	1892.	1893.
	£ s. d.	£ s. d.	£ s. d.
Cave earth	414 0 0	—	—
Salt	23,017 0 5	26,118 1 0	22,410 19 5
Sponge	1,250 0 1	939 12 6	618 2 8
Str'w, shells	—	—	—
Sisal hemp	10 15 3	25 0 5	—
Salt fish	—	—	19 8 0
Timber	5 15 0	—	—
Turtle shell	37 0 0	77 10 0	175 14 6
Total	24,734 10 9	27,155 3 11	23,224 4 7

VALUE of IMPORTS and EXPORTS from and to each Country for the Years 1891, 1892, and 1893.

Imports.

—	1891.	1892.	1893.
	£ s. d.	£ s. d.	£ s. d.
United Kingdom - -	4,868 4 3	4,168 13 5	4,116 5 10
British North America - -	1,851 5 9	1,070 10 6	1,112 18 10
British Colonies - - -	1,158 9 11	1,468 18 1	1,507 10 0
United States of America -	17,049 3 9	16,635 6 6	15,645 13 0
Other foreign countries - -	1,964 13 8	2,044 3 8	2,505 16 10
Total - - -	26,891 17 4	25,387 12 2	24,888 4 6

Exports.

—	1891.	1892.	1893.
	£ s. d.	£ s. d.	£ s. d.
United Kingdom - -	—	—	—
British North America - -	6,091 19 4	6,283 15 4	7,724 2 1
British Colonies - - -	629 18 2	347 19 3	105 2 5
United States of America -	17,057 18 2	19,478 2 1	14,513 12 8
Other foreign countries - -	2,787 10 4	1,226 5 7	1,022 17 5
Total - - -	26,567 1 0	27,336 2 3	23,365 14 7

AVERAGE QUANTITY of SALT exported from each Port for the Seven Years 1885 to 1891, and actual EXPORT for 1892 and 1893.

Ports.	1885 to 1891.	1892.	1893.
Grand Turk - -	595,332	636,866	707,629
Salt Cay - - -	447,824	517,522	313,633
Cockburn Harbour -	572,823	634,446	629,645
Total Bushels -	1,615,979	1,788,834	1,650,907

Salt in the Colony on 31st December	1890	-	600,000	bushels.
„ „ „	1891	-	350,000	„
„ „ „	1892	-	640,000	„
„ „ „	1893	-	700,000	„

10.—*Shipping.*

The total number and tonnage of vessels entered and cleared for the last three years is shown below:—

Sailing Vessels.

—	Entered.		Cleared.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
1891 - - -	307	40,590	313	40,421	620	81,011
1892 - - -	294	45,887	299	45,364	593	91,251
1893 - - -	341	43,291	350	43,979	691	87,270

Steamers.

—	Entered.		Cleared.		Total.	
	Vessels.	Tons.	Vessels.	Tons.	Vessels.	Tons.
1891 - - -	60	61,190	60	61,190	120	122,380
1892 - - -	57	66,515	57	66,515	114	133,030
1893 - - -	63	68,103	63	68,103	126	136,206

H.M.S. "Partridge" passed by Grand Turk in the month of March, en route to Nassau, but was prevented from communicating with the shore by bad weather. The only other visits from men-of-war were from gun-boats belonging to the neighbouring Republics of Hayti and Santo Domingo.

11.—*Agriculture.*

The year was a dry one in the Caicos Islands, and there was the usual recurrence of distress among the inhabitants, which, however, was tided over with but a trifling expenditure on actual relief, assistance being chiefly given by the purchase of lime for public works.

The two fibre companies at the Caicos continued to extend their operations, and the money laid out by them in the employment of labour is a material aid to the people in the hard times consequent on failure of crops by drought.

No shipment of fibre was made during 1893, but machinery was imported and set up, and since the commencement of the present year the work of extraction has been actually proceeding.

12.—*Gaols and Prisoners.*

The total number of prisoners committed during 1893 was 24, of whom five were for safe keeping and 19 for purposes of penal imprisonment.

The daily average in the gaol was four.

13.—*Criminal Statistics.*

The total number of offences reported to the police or to the magistrates in 1893 was 121, against 169 in 1892.

Of the offences reported in 1893:—

39 were for offences against the person.
10 „ „ prædial larceny.
10 „ „ offences against property other than prædial larceny.
62 „ „ other offences.

The total number of convictions in the inferior courts in 1893 was 68 against 112 in 1892.

These convictions are classified as follows:—

23 for offences against the person.
2 for prædial larceny.
5 for offences against property other than prædial larceny.
38 for other offences.

The convictions in the Supreme Court were as follows:—

1 for offences against the person.
1 „ „ „ property.
1 „ other offences.

The acquittals were as follows:—

In the inferior courts - - - - - -	40
In the Supreme Court - - - - - -	8

14.—*Hospitals and Asylums.*

There is no hospital or asylum. Cases of lunacy are very rare, but when occurring, the patient is placed in gaol, and if necessary, ultimately sent to the asylum at Jamaica.

15.—*Meteorological Observations.*

Table showing maximum, minimum, and mean temperature taken at 10 a.m. during each month of the year:—

———	Maximum.	Minimum.	Mean.
January	80	74	79
February	79	75	77
March	80	75	74
April	80	76	78
May	83	78	81
June	85	81	82
July	85	82	83
August	85	82	83
September	86	82	83
October	85	81	83
November	85	80	82
December	81	76	78

RAINFALL for the Year 1893 compared with the Average for the previous Seven Years.

Month.	Grand Turk.	Salt Cay.	Cockburn Harbour.	Kew.
January	·85	·88	1·47	2·59
February	1·65	1·40	·23	3·56
March	—	·17	·44	·67
April	·45	1·30	1·61	·64
May	·77	·60	·43	4·90
June	·71	·33	·02	1·20
July	8·63	5·13	1·30	1·83
August	1·79	3·37	·73	5·60
September	2·04	2·20	3·50	1·90
October	2·89	1·39	1·71	6·99
November	·20	·37	·31	2·16
December	2·20	1·40	2·28	2·85
Total inches	22·18	18·54	14·03	34·89
Average for seven years, 1886 to 1892	26·08	24·54	24·23	43·53

16.—*Savings Banks.*

The Government Savings Bank was opened in 1890. The attached statements show its condition at the present time:—

Bank.	No. of Depositors.		Deposited.		Withdrawn.		To credit.	
	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.
			£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Grand Turk	42	47	188 14 11	260 2 9	122 11 7	156 6 6	309 18 11	413 15 2
Salt Cay	38	30	75 10 2	27 6 10	72 19 3	47 7 6	87 11 7	67 10 11
Cockburn Harbour	18	20	70 3 0	36 8 10	19 3 5	20 5 3	244 4 4	260 7 11
Total	98	97	334 8 1	323 18 5	214 14 3	223 19 3	641 14 10	741 14 0

Number of depositors in sums of—

—	Under 1*l.*		1*l.* to 10*l.*		10*l.* to 20*l.*	
	1892.	1893.	1892.	1893.	1892.	1893.
Grand Turk	17	22	17	13	4	7
Salt Cay	21	20	14	7	3	3
Cockburn Harbour	7	8	6	7	2	1
Total	45	50	37	27	9	11

—	20*l.* to 50*l.*		50*l.* to 100*l.*		Over 100*l.*	
	1892.	1893.	1892.	1893.	1892.	1893.
Grand Turk	2	2	2	2	—	1
Salt Cay	—	—	—	—	—	—
Cockburn Harbour	1	2	1	1	1	1
Total	3	4	3	3	1	2

17.—*Postal Statistics.*

The mail service was performed throughout the year by the contract s.s. "Alpha," of Messrs. Pickford and Black's line, plying monthly between Halifax and Jamaica, calling at Bermuda and Grand Turk.

The steamers of the Clyde line, from New York monthly to Hayti and San Domingo, also make Grand Turk a port of call on both the outward and inward voyage, and carry a mail, but owing to the uncertainty of their sailing dates, no regular communication with England by this route can be arranged for.

Direct parcel post communication with the United States and Canada was obtained and came into operation on 1st January of the current year.

18.—*General Remarks.*

There are no events of importance to chronicle for the period covered by this report.

So far as is known, the position of affairs as regards the extension of the telegraph cable from Bermuda to Jamaica, viâ Grand Turk, is the same as reported last year.

The general outlook in the Dependency is not perhaps as bright as could be wished, owing to the continued low price of salt, but better times in this respect are looked for.

The fibre industry has been, so far, in its infancy, from which it will now shortly emerge, and the result will be awaited with much interest. The ground taken up by the two companies in the Caicos Islands represents only a very small portion of the area available for such cultivation, and the land is apparently eminently suited to the growth of the plant. It is hoped that the results obtained from these first ventures may be of such a nature as to attract more capital and lead to a further development.

EDWARD J. CAMERON,
Commissioner.

Grand Turk, May 18, 1894.

COLONIAL REPORTS.—ANNUAL.

No. 104.

VICTORIA.

DIGEST OF THE STATISTICS FOR 1892.

(For Digest for 1891, *see* Colonial Report [Annual] No. 69.)

Presented to both Houses of Parliament by Command of Her Majesty.
April 1894.

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1894.

[C.—7319.-2.]

COLONIAL REPORTS.

The following, among other, Reports relating to Her Majesty's Colonial Possessions, have been issued, and may be obtained for a few pence from the sources indicated on the title page:—

ANNUAL.

No.	Colony.	Year.
67	Newfoundland	1891
68	British New Guinea	1891–92
69	Victoria	1891
70	Rodrigues	„
71	Bermuda	1892
72	Fiji	1891
73	British Honduras	„
74	Turks and Caicos Islands	1892
75	Gibraltar	„
76	Bahamas	„
77	Leeward Islands	„
78	Trinidad and Tobago	„
79	Malta	„
80	Gambia	„
81	Straits Settlements	„
82	Grenada	„
83	Barbados	„
84	St. Vincent	„
85	Hong Kong	„
86	St. Lucia	„
87	Falkland Islands	„
88	Gold Coast	„
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	„
92	Mauritius	„
93	Labuan	„
94	British Honduras	„
95	Lagos	„
96	Sierra Leone	„
97	Fiji	„
98	Rodrigues	„
99	St. Helena	„
100	British Bechuanaland	1892–93
101	British Guiana	„
102	Jamaica	„
103	Newfoundland	1892

MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

Victoria. 1892.

No. 104.

VICTORIA.

(For Digest for 1891, *see* Colonial Report [Annual] No. 69.)

The Earl of Hopetoun to the Marquess of Ripon.

Government House, Melbourne,
January 6, 1894.

My Lord,

I have the honour to transmit to your Lordship a copy of a digest of the statistics of Victoria for the year 1892.

I have, &c.
(Signed) Hopetoun.

Digest of the Statistics of Victoria, 1892, by Henry Heylyn Hayter, C.M.G., Government Statist.

1. The estimated population of Victoria at the end of 1892 was as follows:— Population, 1892.

Estimated Population, 31st December 1892.

Males	607,801
Females	559,572
Total	1,167,373

2. This estimate shows an increase during the year of 9,695, viz., 1,766 males and 7,929 females. The figures have been derived from the numbers returned at the census, brought on to the end of 1892 by means of the numbers expressing the excess of births over deaths and of arrivals over departures which took place since the census day. The official record of births, deaths, and arrivals have been taken as they stand, but the record of departures being known to be defective, an allowance has been made for those unrecorded, which are estimated to have amounted to 9,254, viz., 7,188 males and 2,066 females since the census. These numbers have accordingly been deducted from the totals. Mode of forming population estimate.

VICTORIA. 1892.

Had no such deductions been made, the apparent population at the end of 1892 would have been 1,176,627 viz., 614,989 males and 561,638 females.

Municipal estimate of population.

3. A partial check upon the periodical estimates of population is afforded by means of returns obtained from the municipal authorities, who at the time of making their valuations ought to ascertain the number of persons living upon each property rated. This is not always done correctly, and, besides, in some municipalities the properties are not visited each year for the purpose of rating, in which case the numbers are not counted, but estimates, more or less wide of the truth, are made by the municipal authorities. The aggregate population obtained by means of the municipal returns is thus not so accurate as it might be were due care exercised in every municipality. The sum of the returns for 1892 was 1,144,687, which, with an allowance to bring it on to the end of the year, and for districts not situated within the limits of any municipality, would give a total of 1,150,941, or 25,686 less than the apparent population, or 16,432 less than the reduced estimate adopted. If the municipal estimate is correct, the difference between it and the departmental estimate must have been due to a large overland emigration having taken place, of which there is at present no machinery for taking account.

Mean population, 1892.

4. The mean population of the year 1892 may be estimated as follows:—

Estimated Mean Population, 1892.

Males - - - -	606,990
Females - - - -	555,720
Total - - -	1,162,710

Apparent increase of population in 1892.

5. According to the records of births and deaths, and of immigrants and emigrants, the apparent increase of population in 1892 was 15,717, viz., 6,438 males and 9,279 females. This resulted from an increase of 21,980, consisting of 10,307 males and 11,673 females, by excess of births over deaths; less a decrease of 6,263, consisting of 3,869 males and 2,394 females, by excess of departures over arrivals.

Increase of population, 1888 to 1892.

6. The figures showing the apparent increase of population are useful for comparing the results of one year with those of another but are not to be relied upon for individual years, they being usually higher than the actual numbers, as was made abundantly manifest by the results of the last census. The reason of this is that the number of persons who leave the colony by sea without their departure being recorded is greater than that of the infants whose births are not registered. This causes a constant loss in the account of population, unrecognised at the time, which can only

be counterbalanced by a surplus of arrivals over departures overland, a circumstance which of late years has occurred but rarely. The figures for the last five years are subjoined :—

Apparent Increase of Population.

1888	60,019
1889	33,131
1890	35,523
1891	29,150
1892	15,717

Small increase 1891 and 1892.

7. A great diminution in the apparent increase of population is shown by the figures of the last two years, the increase in 1892 being smaller than in any year since 1875, when it was only 14,835. The exceptionally high increase in 1888 was mainly due to the opening of the Melbourne Centennial International Exhibition in that year, to the large amount of British capital sent to Victoria for investment, which led to extensive building operations being undertaken, chiefly in Melbourne, and to the excitement which prevailed in consequence of the large fortunes which were apparently being made by the purchase and sale of land.

Increase by births, 1888 to 1892.

8. As practically all the deaths are registered, but some of the births escape registration, the apparent increase by the surplus of the latter over the former is always somewhat below the truth. As, however, it is probable that the proportion of unregistered births is tolerably constant from year to year and is not very large in any year, the figures are useful. The apparent excess of births over deaths in 1892 was greater by 2,106 than that in 1891, and was also greater than in any previous year. The following are the numbers in the last five years :—

Apparent Increase by Excess of Births over Deaths.

1888	18,216
1889	16,967
1890	19,566
1891	19,874
1892	21,980

Increase by immigration.

9. The increase by excess of recorded arrivals over recorded departures reached its maximum in the Exhibition year (1888), which was also a period of great apparent prosperity. Since then there has been a continuous falling off, until in 1892 there was a loss by excess of known departures over known arrivals

VICTORIA. 1892.

amounting to 6,263. The figures for the five years 1888 to 1892 are as follows:—

Apparent Increase by Excess of Arrivals over Departures.

1888	- 41,803
1889	- 16,164
1890	- 15,957
1891	- 9,276
1892	-—6,263

Populations of Australasian Colonies, 1892.

10. The following table shows the estimated population of each Australasian Colony at the end of 1892—males and females being distinguished; also the increase of the total population and the total mean population of each colony during that year:—

Populations of Australasian Colonies at end of 1892.

Colony.	Estimated Population† on the 31st December.			Both Sexes.	
	Males.	Females.	Total.	Increase in 1892.	Mean Population, 1892.
Victoria -	607,801	559,572	1,167,373	9,695	1,162,710
New South Wales -	646,378	550,672	1,197,050	31,750	1,181,175
Queensland - -	237,965	183,332	421,297	10,967	415,813
South Australia‡ -	176,101	160,601	336,702	10,936	331,234
Western Australia -	36,095	22,579	58,674	5,389	55,980
Total - -	1,704,340	1,476,756	3,181,096	68,737	3,146,912
Tasmania - -	82,009	71,135	153,144	525	152,882
New Zealand § -	345,146	305,287	650,433	16,375	642,246
Grand total -	2,131,495	1,853,178	3,984,673	85,637	3,942,040

* The minus sign (—) indicates that the departures exceeded the arrivals by the number against which it is placed.

† Aborigines are included in the case of Victoria and New South Wales, but it is understood they are omitted in that of the other colonies. In 1891, 565 aborigines were enumerated in Victoria and 8,280 in New South Wales.

‡ The population of South Australia, as here given, is inclusive of that contained in the Northern Territory, of which the small portion inhabited contained, when the census of 1891 was taken, 5,219 persons, of whom 3,635 were Chinese.

§ The population of New Zealand is exclusive of Maoris, who numbered 41,993, viz., 22,861 males and 19,132 females in 1891.

11. The subjoined figures show the estimated percentage of increase of the population of each colony during the year 1892, the colonies being arranged in order according to the rate of increase in each :— Order of colonies in respect to increase of population.

Order of Colonies in reference to Proportionate Increase of Population, 1892.

—	Per cent.	—	Per cent.
1. Western Australia	10·11	5. New Zealand	2.58
2. South Australia	3·36	6. Victoria	·84
3. New South Wales	2.72	7. Tasmania	·34
4. Queensland	2·67		

12. If the totals in the last table be compared with similar totals for the previous year, it will be ascertained that in 1892 the population of Continental Australia increased by 2·21 per cent., and the population of Continental and Insular Australia combined increased by 2·20 per cent. Increase in Australia and Australasia, 1892.

13. Victoria is by far the most densely populated colony of the group, and is also the colony in which the nearest approach to equality prevails in the numbers of the sexes. The following is the order in which the colonies stand in respect to these two matters :— Order of colonies in respect to population and sex.

Order of Colonies in reference to Density of Population, 1892.

—	Persons to the Square Mile.	—	Persons to the Square Mile.
1. Victoria	13·283	5. Queensland	·630
2. New Zealand	6·226	6. South Australia	·373
3. Tasmania	5·806	7. Western Australia	·060
4. New South Wales	3·872		

Order of Colonies in reference to Equality of Sexes, 1892.

—	Females to 100 Males.	—	Females to 100 Males.
1. Victoria	92·07	5. New South Wales	85·19
2. South Australia	91·20	6. Queensland	77·04
3. New Zealand	88·45	7. Western Australia	62·55
4. Tasmania	86·74		

VICTORIA. 1892.

Chinese in Victoria, 1891.

14. The Chinese living in Victoria at the date of the census of 1891 numbered 9,377, of whom only 605 were females. All were not pure Mongolians, 417, or nearly 5 per cent. of the males, and as many as 471, or 78 per cent. of the females, being half-castes.

Chinese in Australasian Colonies, 1891.

15. The following is a statement of the number of Chinese according to the census returns of each of the Australasian Colonies :—

Chinese in the Australasian Colonies, 1891.

Colony.	Males.	Females.	Total.
Victoria*	8,772	605	9,377
New South Wales†	13,555	601	14,156
Queensland‡	8,527	47	8,574
South Australia§	3,926	71	3,997
Western Australia	912	5	917
Total	35,692	1,329	37,021
Tasmania‖	993	63	1,056
New Zealand	4,426	18	4,444
Grand Total	41,111	1,410	42,521

All of Chinese race not born in China.

16. In all the colonies some of the persons born in China were not of the Chinese race, whilst, on the other hand, some members of the Chinese race were born elsewhere than in China. It is believed that the numbers in the table are exclusive of the former but inclusive of the latter in the case of all the colonies except South Australia, in which colony all those set down in the census schedules as born in China, but no others, have been taken to be Chinese.

Aborigines in Victoria, 1891.

17. At the census of 1891 only 565 Aborigines, viz., 240 males and 325 females, were enumerated in Victoria. It is tolerably certain, however, that there are more in the colony than are shown by the figures. In consequence of the nomadic habits of this people, some have probably been missed by the sub-enumerators; and it is, moreover, possible that the latter sometimes fail to comply with the instruction to note the fact of the person being an Aboriginal by marking the letter "A" after the birthplace entry on the census schedule, and in consequence it might possibly not

* Including 888 half castes, viz., 417 males and 471 females.

† Including 867 half-castes, viz.. 422 males and 445 females.

‡ Including 29 male and 20 female children born in Queensland of Chinese parents; also one Chinaman born in New South Wales.

§ These were the numbers born in China; persons of European extraction there born. and Chinese borne in other countries were not kept separate in the returns.

‖ Including 117 half-castes, viz., 62 males and 55 females.

be recognised that he was one. The Central Board for the Protection of the Aborigines state that they have information of the existence of 731 Aborigines in the colony. Of the Aborigines enumerated only 317, viz., 192 males and 125 females, were pure blacks. The remainder, numbering 248, viz., 133 males and 115 females, had a cross of European blood in their veins.

Aborigines in Australasian colonies, 1891.

18. The following is a statement of the number of Aborigines enumerated or believed to exist in each Autralasian colony in 1891 :—

Aborigines in the Australasian Colonies, 1891.

Colony.	Males.	Females.	Total.
Victoria*	325	240	565
New South Wales†	4,559	3,721	8,280
Queensland (1881)‡	10,719	9,866	20,585
South Australia§	14,510	9,279	23,789
Western Autralia‖	3,516	2,729	6,245
Total	33,629	25,835	59,464
Tasmania¶	73	66	139
New Zealand**	22,861	19,132	41,993
Grand Total	56,563	45,033	101,596

Enumeration of Aborigines incomplete.

19. In most, if not all, the Australasian colonies the enumeration of the Aborigines was incomplete. It has been already stated that, in Victoria, whilst only 565 (including half-castes) were enumerated, 731 are believed to be in existence. In Queensland no attempt was made to enumerate or estimate the number of Aborigines, therefore the number returned in 1881, which is believed to understate the truth, has been repeated. In South Australia the Aborigines were not regularly enumerated, the figures given being derived from estimates made by the census collectors. In Western Australia only civilised Aborigines were enumerated.

* Including 248 half-castes, viz., 133 males and 115 females.

† Including 3,183 half-castes, viz., 1,663 males and 1,520 females.

‡ No provision was made in 1891 to enumerate, or form an estimate of the numbers of, Aborigines in Queensland. The numbers for 1881—partly counted and partly estimated—have therefore been repeated.

§ Partly estimated.

‖ Civilised aborigines only; 575 half-castes, viz., 293 males and 282 females, are included.

¶ These are half-castes. No Aborigines of unmixed race remain on the island of Tasmania.

** Including 40 Aborignal inhabitants of the Chatham Islands (Morioris), viz., 26 males and 14 females.

Victoria. 1892.

In the numbers given for that colony, 575, viz., 293 males and 282 females, are half-castes. In Tasmania there are no longer any Aborigines of unmixed race, the last male having died in 1869, and the last female in 1876. There are, however, a few half-castes. With the Maoris of New Zealand, 40 Morioris, viz., 26 males and 14 females, are included. These are the last surviving Aboriginal inhabitants of the Chatham Islands, which are a group lying about 360 miles to the east of New Zealand, in latitude 43° 50′ S., longitude 177° E., and form a dependency of that colony.

Metropolitan populations, 1891 and 1892.

20. In the following table is shown the area embraced in the metropolis (including suburbs) of each of the Australasian colonies, with the population thereof as enumerated at the last census and estimated at the end of 1892 ; also the increase of the population of each capital city since the census, the mean population of each during the year, and the density of the population of each at its close :—

Population of Australasian Capital Cities, 1892.

Name of City.	Area in Acres.	Population.		Increase since Census ($1\frac{3}{4}$ year).	Mean Population, 1892.	Persons to the Acre (31st Dec 1892).
		Enumerated (5th April 1891).	Estimated (31st Dec. 1892).			
Melbourne -	162,660	490,896	474,810	16,086*	481,550	2·92
Sydney -	86,400	387,434	411,710	24,276	405,820	4·77
Brisbane -	50,240	93,657	100,200†	6,543	98,900	1·99
Adelaide -	167,680	133,252	136,766	3,514	134,670	·82
Perth -	4,830	8,447	11,117	2,670	10,580	2·30
Hobart	47,560	33,450	34,926	1,476	34,450	·73
Wellington -	9,032	33,224	37,013	3,789	35,348	4·10

Increase of population since census.

21. According to the estimates made an increase will be observed in the population of all the capitals except Melbourne, in which there was a falling off of 16,086 as already stated. The increase in Sydney was by far the largest, exceeding by a third that in Brisbane, Adelaide, Perth, Hobart, and Wellington combined.

Density of population in capital cities.

22. It will, moreover, be noticed that the inhabitants of Greater Sydney dwell in greater contiguity than those of any of the other metropolitan cities, and in both that city and Wellington the people are nearer each other than they are in Greater Melbourne, whilst in Adelaide and Hobart there is less than one person to the acre. It, may, however, be remarked that in the district subject to the Melbourne and Metropolitan Board of Works, which is smaller than Greater Melbourne and slightly smaller than Greater Sydney, the inhabitants are nearer together than in

*Decrease. †Estimated.

either, the population at the census being 476,849, spread over an area of 83,860 acres, or an average of 5·69 persons to the acre.

Population of chief extra-metropolitan towns.

23. Next to the municipalities embraced under the head of Greater Melbourne, the most important towns in Victoria are—Ballarat, comprising three municipalities; Bendigo, two; Geelong three; Warrnambool, one; Castlemaine, two; and Stawell, one. The enumerated populations of these, with their immediate suburbs, according to the results of the census of 1891, and an estimate brought down to about September, 1892, also the increase or decrease in each since the census, were as follow:—

Population of Six Extra-Metropolitan Towns, 1891 *and* 1892.

Name of Town.	Population.		Increase.	Decrease.
	1891.	1892.		
Ballarat	46,158	45,011	—	1,147
Bendigo	38,348	39,104	756	—
Geelong	24,283	24,418	135	—
Castlemaine	6,804	6,772	—	32
Warrnambool	6,582	6,300	—	282
Stawell	5,183	5,200	17	—

Birthplaces, 1892.

24. The following table has been constructed upon the assumption that the respective nationalities existed in 1892 in the same proportions to the total population of that year as they did when the census was taken to the total population then enumerated:—

BIRTH-PLACES OF THE PEOPLE, 1892 (ESTIMATED).

Birth-places.	Mean Population.		
	Males.	Females.	Total.
Victoria	362,029	369,973	732,002
Other Australasian Colonies	40,489	41,287	81,776
England and Wales	98,226	68,728	166,954
Scotland	28,989	22,952	51,941
Ireland	43,668	43,837	87,505
Other British possessions	4,183	2,717	6,900
Germany	7,941	3,087	11,028
The United States	2,046	928	2,974
China	8,502	141	8,643
Other foreign countries	10,917	2,070	12,987
Total	606,990	555,720	1,162,710
ALLEGIANCE.			
British subjects (by birth)	577,575	549,440	1,127,015
Foreign subjects (by birth)	29,415	6,280	35,695

VICTORIA. 1892.

Birthplaces of residents in each Australasian colony.

25. The following table contains a statement of the birthplace of the people of each Australasian colony, according to the returns of the census of 1891; also the number of males and females of each birthplace:—

Birthplace of the People living in each Australasian Colony, 1891.

(Including Chinese and Aborigines.)

Colony.	Number of person born in—						
	The Colony.	Other Australasian Colonies.*	United Kingdom.	Other British Possessions.	Germany.	The United States.	Residue.
MALES.							
Victoria	354,726	39,672	167,435	3,126	7,781	2,005	23,669
New South Wales	368,054	46,462	158,324	3,434	6,976	2,509	26,803
Queensland†	99,833	17,658	81,596	1,538	8,700	325	24,848‡
South Australia	108,276	5,760	38,604	1,032	5,076	271	7,782
Western Australia	17,261	2,195	9,821	587	259	132	2,775
Total	948,150	111,747	455,780	9,717	28,792	5,242	85,877
Tasmania	54,323	3,944	15,810	372	589	165	2,357
New Zealand	206,462	7,677	123,375	2,209	3,045	474	12,496
Total males	1,208,935	123,368	494,965	12,298	32,426	5,881	100,730
FEMALES.							
Victoria	358,859	40,047	131,446	1,726	2,994	906	6,019
New South Wales	365,241	38,692	107,777	1,200	2,591	870	3,301
Queensland†	97,723	10,678	61,027	421	6,210	102	3,644
South Australia	109,454	5,318	33,460	473	3,477	115	1,333
Western Australia	16,160	1,133	4,701	170	31	22	205
Total	947,437	95,868	338,411	3,990	15,303	2,009	14,502
Tasmania	53,578	3,384	11,165	310	329	56	235
New Zealand	202,247	8,266	95,459	1,494	1,618	193	3,636
Total females	1,203,262	107,518	445,035	5,794	17,250	2,258	18,423
Both sexes	2,412,197	230,886	940,000	18,092	49,676	8,139	119,153

* Including Fiji and New Guinea.
† As no account was taken in 1891 of the Aborigines in Queensland, the numbers partly enumerated and partly estimated in 1881 have been added to the census figures.
‡ Including Polynesians, viz., 8,498 males and 745 females; and Malays, viz., 1,092 males and 79 females.

Natives of Australasia.

26. The table shows the natives of the Australasian Colonies resident therein to have numbered 2,643,083, of whom 2,103,202 were born on the Australian continent. The former number furnishes a proportion of 68 per cent. and the latter one of 69 per cent. to the population. In 1881 the proportions were respectively 62 and 63 per cent.

Victorians in each Australasian colony.

27. From the census returns of the different colonies it is ascertained that Victorian natives living in Australasian Colonies other than the colony of their birth numbered 69,021, viz., 38,310 males and 30,711 females. The numbers found to be living in each colony of the group are set down in the following table :—

Victorians living in each Australasian Colony, 1891.

Colony in which living.	Numbers born in Victoria.		
	Males.	Females.	Total.
Victoria - - -	354,726	358,859	713,585
New South Wales - - -	22,792	17,976	40,768
Queensland - - -	4,907	2,555	7,462
South Australia - - -	3,412	3,197	6,609
Western Australia - -	729	307	1,036
Total - - -	386,566	382,894	769,460
Tasmania - - -	2,301	1,904	4,205
New Zealand - - -	4,169	4,772	8,941
Grand Total - -	393,036	389,570	782,606

Victorian natives.

28. The figures afford evidence of the existence of 782,606 Victorians by birth, viz., 393,036 males and 389,570 females. There are doubtless also some living in the United Kingdom and other countries outside of Australasia, but of these there are no means of estimating the numbers. The increase of known natives of Victoria since 1881 has been 243,501, viz., 123,119 males and 120,382 females.

Victorians in other colonies, and other colonists in Victoria.

29. Victoria, according to the following table, presents greater attractions to natives of other colonies of the group than those colonies, taken as a whole, present to Victorians, inasmuch as, whilst 77,045 natives of extra-Victorian colonies were found to be

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living in Victoria, only 69,018 natives of Victoria were found to be living in other colonies:—

Natives of other Australasian Colonies living in Victoria, and Victorians living in other Australian Colonies, 1891.

Colony.	Natives of—		Excess of—	
	The other Colonies named living in Victoria.	Victoria living in each of the other Colonies named.	Natives of other Colonies in Victoria over Victorians in those Colonies.	Victorians in other Colonies over natives of those Colonies in Victoria.
New South Wales	19,792	40,765	—	20,973
Queensland	2,757	7,462	—	4,705
South Australia	25,316	6,609	18,707	—
Western Australia	756	1,036	—	280
Tasmania	16,398	4,205	12,193	—
New Zealand	12,026	8,941	3,085	—
Total	77,045	69,018	8,027*	—

Colonies receiving natives from, or sending natives to, Victoria.

30. It will be observed that Victoria sends more of her natives to New South Wales, Queensland, and Western Australia than she receives of their natives, but the reverse is the case as regards South Australia, Tasmania, and New Zealand. The natives received from the last three over and above those parted with to the first three colonies is in favour of Victoria to the extent of 8,027 persons, as shown in the table.

Religions, 1892.

31. The next table contains a statement of the estimated number of persons of different religions in Victoria about the middle of 1892, the proportions which those of each religion bear to the total population being identical with those obtaining at the last census:—

Religions of the People, 1892 (*estimated*).

Religious Denominations.	Mean Population.		
	Males.	Females.	Total.
Church of England	224,875	203,943	428,818
Presbyterians	88,768	82,929	171,697
Methodists	80,160	82,333	162,493
Independents	11,438	11,293	22,731
Baptists	13,815	14,857	28,672

* Net figures.

Religious Denominations.	Mean Population.		
	Males.	Females.	Total.
Other Protestants - -	25,202	20,647	45,849
Roman Catholics - - -	128,989	126,580	255,569
Jews - - - -	3,623	3,015	6,638
Buddhists, Confucians, &c. -	6,779	127	6,906
Others (including no religion, &c., object to state, &c.) -	23,341	9,996	33,337
Total - - - - -	606,990	555,720	1,162,710

32. The following table shows the principal religious denominations in each Australasian Colony, also the number of males and females adhering to each denomination, according to the returns of the census of 1891 :— Religions in Australasian Colonies.

Religions of the People in each Australasian Colony, 1891.

(Exclusive of Aborigines.)

Colony.	Number of Persons of Each Denomination.						
	Church of England	Presbyterians.	Methodists.	Other Protestants.	Roman Catholics.	Jews.	Residue.
MALES.							
Victoria - - -	219,573	86,665	78,297	49,246	126,017	3,540	34,751
New South Wales -	272,009	59,438	56,358	34,364	149,390	3,038	33,406
Queensland - -	79,814	25,473	16,073	28,077	48,688	433	25,171
South Australia -	46,718	9,491	37,757	33,840	23,626	436	14,933
Western Australia -	14,640	1,286	2,443	1,323	7,127	82	2,613
Total - -	632,754	182,353	190,928	146,850	354,848	7,579	110,874
Tasmania - -	40,401	4,957	8,657	5,458	13,210	55	4,749
New Zealand - -	134,263	74,766	31,601	24,524	44,982	774	21,967
Total Males -	807,418	262,076	231,186	176,832	413,040	8,408	137,590
FEMALES.							
Victoria - - -	197,378	80,246	79,711	45,284	122,568	2,919	13,645
New South Wales -	234,859	49,945	53,752	29,108	137,527	2,446	8,314
Queensland - -	62,741	20,166	14,795	24,252	44,077	326	3,482
South Australia -	42,553	8,715	38,857	33,593	23,553	404	5,955
Western Australia -	10,242	710	2,148	946	5,347	47	253
Total - -	547,773	159,782	189,263	133,283	333,072	6,142	31,649
Tasmania - -	35,609	4,789	8,482	5,482	12,566	29	2,084
New Zealand -	119,068	66,711	13,814	23,903	42,290	689	9,306
Total Females -	702,450	231,282	229,559	162,668	387,928	6,860	43,039
Both Sexes -	1,509,868	493,358	460,745	339,500	800,968	15,268	180,629

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Protestants and Roman Catholics in Australasian

33. Combining the Protestant denominations so as to obtain the total number of Protestants in each colony, and collating them with the Roman Catholics, the proportions given in the following table are obtained:—

Protestants and Roman Catholics in each Australasian Colony, 1891.

(Exclusive of Aborigines.)

Colony.	Numbers.			Proportions per cent.	
	Protestants.	Roman Catholics.	Total.	Protestants.	Roman Catholics.
Victoria - - -	836,400	248,585	1,084,985	77·09	22·91
New South Wales -	789,833	286,917	1,076,750	73·35	26·65
Queensland - -	271,491	92,765	364,256	74·54	25·46
South Australia -	251,524	47,179	298,703	84·25	15·75
Western Australia -	33,738	12,474	46,212	73·01	26·99
Total - -	2,182,986	687,920	2,870,906	76·04	23·96
Tasmania - - -	113,835	25,776	139,611	81·54	18·46
New Zealand - -	506,650	87,272	593,922	85·31	14·69
Grand Total -	2,803,471	800,968	3,604,439	77·78	22·22

Colonies in which Roman Catholics were most common.

34. The proportions in the tables are those of the Protestants and Roman Catholics to the sum of the two bodies combined; and it should be pointed out that the proportions would be somewhat lower if calculated to the whole population of specified beliefs, which, in addition to the two bodies named, contained Jews, Buddhists, &c., and other non-Christian sects, as well as persons of No Denomination, No Religion, &c. In proportion to the total of the two combined bodies, Protestants were most numerous in combined New Zealand, South Australia, Tasmania, and Victoria in the order named, those being the only colonies in which they exceeded 75 per cent of the whole; whilst Roman Catholics were most numerous in Western Australia, next in New South Wales, and next in Queensland, those being the only colonies in which they exceeded 25 per cent. of the whole.

35. The following table contains an estimate of the ages of the people of Victoria about the middle of 1892, grouped in quinquennial periods :— Ages, 1892.

Ages of the People, 1892 (*estimated*).

Ages.	Males.	Females.	Total.
Under 5 years	76,307	75,370	151,677
5 to 10 „	66,398	65,615	132,013
10 to 15 „	59,888	59,369	119,257
15 to 20 „	58,105	59,352	117,457
20 to 25 „	64,346	63,238	127,584
25 to 30 „	64,008	56,631	120,639
30 to 35 „	48,562	40,865	89,427
35 to 40 „	32,299	27,200	59,499
40 to 45 „	24,403	21,987	46,390
45 to 50 „	22,452	20,269	42,721
50 to 55 „	23,148	19,788	42,936
55 to 60 „	22,596	16,634	39,230
60 to 65 „	20,513	13,248	33,761
65 to 70 „	11,305	7,364	18,669
70 to 75 „	7,346	4,925	12,271
75 to 80 „	3,259	2,325	5,584
80 to 85 „	1,409	1,038	2,447
85 and upwards	646	502	1,148
Total	606,990	555,720	1,162,710

Ages in Australasian Colonies, 1891

36. The ages of the people in the various Australasian Colonies were as follows when the census of 1891 was taken :—

Ages of the People in each Australasian Colony, 1891.

(Exclusive of Aborigines.)

Ages.	Victoria.	New South Wales.	Queensland.	South Australia	Western Australia.	Tasmania.	New Zealand.
MALES.							
Under 5 years	75,185	83,640	30,458	23,015	3,394	10,829	42,266
5 to 10 „	65,418	72,511	23,820	21,827	2,729	9,870	43,502
10 to 15 „	58,996	61,840	19,902	19,162	2,357	8,276	40,763
15 to 20 „	57,264	53,931	18,203	15,363	2,199	7,066	32,586
20 to 25 „	63,413	57,666	24,094	15,380	3,337	7,148	28,445

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Ages.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
MALES—*continued.*							
25 to 30 years	63,080	59,752	25,723	14,400	3,825	7,454	23,797
30 to 35 „	47,864	51,933	21,856	13,426	2,880	6,056	22,106
35 to 40 „	31,824	40,238	15,593	10,758	1,946	4,473	20,549
40 to 45 „	24,034	31,227	12,217	8,115	1,412	3,316	17,824
45 to 50 „	22,111	26,865	10,538	6,827	1,225	2,574	17,094
50 to 55 „	22,804	22,586	9,192	5,401	1,208	2,296	16,836
55 to 60 „	22,264	16,644	5,448	4,094	1,041	1,932	10,981
60 to 65 „	20,213	12,504	3,596	3,529	875	1,900	7,716
65 to 70 „	11,144	6,945	1,793	2,378	520	1,492	3,939
70 to 75 „	7,240	4,997	1,079	1,723	370	1,405	2,515
75 to 80 „	3,210	2,837	505	850	130	790	1,195
80 and upwards	2,025	1,887	262	553	66	610	718
Total Males	598,089	608,003	223,779	166,801	29,514	77,487	332,877
FEMALES.							
Under 5 years	73,471	81,354	29,874	22,266	3,336	10,618	40,955
5 to 10 „	63,966	73,977	23,275	21,267	2,562	9,512	42,596
10 to 15 „	57,878	60,867	19,258	18,641	2,351	8,169	40,338
15 to 20 „	57,859	54,160	17,131	15,617	2,036	6,813	32,665
20 to 25 „	61,655	53,133	18,718	14,923	2,146	6,577	29,855
25 to 30 „	55,220	46,673	15,964	12,937	1,862	6,061	22,416
30 to 35 „	39,840	36,424	12,161	10,690	1,391	4,931	17,923
35 to 40 „	26,508	27,110	8,548	8,290	959	3,438	15,133
40 to 45 „	21,430	22,003	6,869	6,339	754	2,748	13,459
45 to 50 „	19,747	18,491	6,108	5,517	643	2,336	11,854
50 to 55 „	19,290	14,662	4,690	4,931	557	2,141	9,940
55 to 60 „	16,220	10,721	2,983	3,837	442	1,782	6,161
60 to 65 „	12,915	7,677	1,991	3,251	279	1,486	4,475
65 to 70 „	7,181	4,865	1,145	2,169	159	969	2,568
70 to 75 „	4,803	3,658	727	1,534	124	766	1,878
75 to 80 „	2,267	1,903	301	830	52	401	936
80 and upwards	1,501	1,273	196	591	40	293	629
Total Females	541,751	515,911	169,939	153,630	19,693	69,041	293,781

Women at reproductive age in Australasian Colonies.

37. According to the figures, women at the reproductive period of life (15 to 45 years) in Victoria were not only more numerous but furnished a higher proportion to the total number of females living than they did in any of the other Australasian Colonies. At the census of 1881, South Australia was at the head of the list, and Victoria second. The former had, in 1891, sunk to

the fifth place, whilst Victoria had risen to the highest. The following are the numbers and proportions for each colony :—

Women at the Reproductive Period of Life (14 *to* 45 *Years*) *in Australasian Colonies*, 1891.

(Exclusive of Aborigines.)

—	Number.	Number in 10,000 Females Living.
1. Victoria	262,512	4,846
2. Queensland	79,391	4,672
3. Western Australia	9,148	4,645
4. New South Wales	239,503	4,642
5. South Australia	68,796	4,478
6. New Zealand	131,451	4,474
7. Tasmania	30,568	4,428

Proportion of births to women between 15 and 45 in Australasian Colonies.

38. According to the following figures the proportion which the births in 1891 bore to the number of women at the reproductive period of life returned at the census was lowest in New Zealand and next lowest in Victoria, the highest proportion being in Western Australia :—

Proportion of Births to Women at the Reproductive Age in the Australasian Colonies, 1891.

—	Number of Births.	Women living between 15 and 45 Years of Age.
1. Western Australia	1,786	or 1 birth to every 5·12
2. Queensland	14,785	„ „ 5·40
3. New South Wales	39,458	„ „ 6.07
4. Tasmania	4,971	„ „ 6·15
5. South Australia	10,737	„ „ 6.41
6. Victoria	38,505	„ „ 6·82
7. New Zealand	18,273	„ „ 7·19

Males at soldiers' age in Australasian Colonies

39. The returns of the census of 1891 showed that the Australasian Colonies contained enough males at the soldiers' age (20 to 40 years) to admit of their raising a joint army of nearly 690,000 men, as against little over 450,000 at the previous census. Between the census periods the greatest increase was in Victoria, and the next in New South Wales. The mother colony, however, had still a larger number of men at this age than Victoria, although the difference in favour of the former, which was nearly 18,000 in 1881, was little more than 3,000 in 1891. The following were

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the numbers in each colony at the last two censuses, also the increase in each during the intercensal period :—

Males at Soldiers' Age (20 to 40 Years) in Australasian Colonies, 1881 and 1891.

(Exclusive of Aborigines.)

	1881.	1891.	Increase.
Victoria	114,002	206,181	92,179
New South Wales	131,520	209,589	78,069
Queensland	46,427	86,766	40,339
South Australia	52,529	53,964	1,435
Western Australia	4,354	11,988	7,634
Tasmania	15,929	25,131	9,202
New Zealand	86,514	94,942	8,428
Total	451,275	688,561	237,286

Order of colonies in reagrd to proportion of males at soldiers' age.

40. In proportion to the total number of both sexes living, men at the soldiers' age in 1881 were fewer in Victoria than in any of the other Australasian Colonies. Victoria had, however, by 1891 risen to the fourth place in this respect, whilst New South Wales has risen from the fourth to the third. Queensland, which was at the head of the list in 1881, occupied the second place, whilst South Australia, which then occupied the second place, had fallen to the last place but one. The following are the proportions according to the returns of 1891 :—

Order of the Colonies in reference to Proportions of Males at the Soldiers' Age (20 to 40 years) in their Populations, 1891.

(Exclusive of Aborigines.)

	Number per 10,000 of both Sexes living.
1. Western Australia	2,436
2. Queensland	2,204
3. New South Wales	1,865
4. Victoria	1,809
5. Tasmania	1,715
6. South Australia	1,684
7. New Zealand	1,515

Relative strength of populations of Australasian Colonies.

41. In 1881, according to the ages of its inhabitants, Queensland had the strongest population in proportion to its number of any of the Australasian Colonies, Victoria in this respect standing second. By 1891 Queensland had sunk to the third place, the first place being occupied by Western Australia, and the second still held by Victoria. New South Wales, which occupied the fifth place in 1881, rose to the fourth place by 1891, that

being the position occupied at the former period by South Australia, which, by 1891, had sunk to the last place but one, New Zealand having risen above Tasmania and South Australia, whilst Tasmania fell to the bottom of the list. By the following table, which shows the proportions living at the supporting and dependent ages, the relative strength of the population of each colony, as existing in 1891, will be at once recognised :—

Effective Strength of the Populations of Australasian Colonies, 1891—both Sexes.

(Exclusive of Aborigines.)

Colony.	Numbers—in every 10,000 Persons living.		
	At Supporting Ages (15 to 65 years.)	At Dependent Ages.	
		Under 15 years.	65 Years and upwards.
1. Western Australia - -	6,303	3,400	297
2. Victoria - - -	6,190	3,465	345
3. Queensland - - -	6,124	3,723	153
4. New South Wales - -	5,912	3,836	252
5. New Zealand - - -	5,774	3,996	230
6. South Australia - -	5,730	3,938	332
7. Tasmania - - -	5,632	3,909	459

Order of colonies in regard to proportions of young and old.

42. Relatively to the numbers of the population, New Zealand had in 1891 the largest proportion of children, whilst Victoria had a smaller proportion of children than any colony of the group except Western Australia. The colony which had the largest proportion of old people was Tasmania; Victoria being next in this respect. The following is the order in which, according to the figures in the table, the colonies respectively stood in regard to the proportions of the young and the old among their populations :—

Order of the Colonies in reference to Proportions of Children and Old People in their Populations, 1891.

(Exclusive of Aborigines.)

Order in respect to Children under 15.	Order in respect to People of 65 and upwards.
1. New Zealand.	1. Tasmania.
2. South Australia.	2. Victoria.
3. Tasmania.	3. South Australia.
4. New South Wales.	4. Western Australia.
5. Queensland.	5. New South Wales.
6. Victoria.	6. New Zealand.
7. Western Australia.	7. Queensland.

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Occupations, 1892.

43. The occupations of the people of Victoria have been brought on by proportion to about the middle of 1892, in the same manner as the birthplaces and religions:—

Occupations of the People, 1892 (*estimated*).

Occupations.	Mean Population.		
	Males.	Females.	Total.
Ministering to Government, law, and order*	7,037	174	7,211
„ religion, charity, science, &c.	13,650	9,839	23,489
„ board, lodging, and attendance	15,120	43,691	58,811
Dealing in money and real property	8,455	1,175	9,630
„ art and mechanic productions	2,183	425	2,608
„ textile fabrics, dress, and fibrous articles	5,359	927	6,286
„ food, drinks, narcotics, and stimulants	13,226	1,442	14,668
„ animals, animal, and vegetable substances	4,627	277	4,904
„ minerals and metals	1,968	67	2,035
„ fuel and light	1,711	18	1,729
General and undefined dealers, merchants, shopkeepers	23,728	3,611	27,339
Engaged in storage	398	7	405
Carriers of passengers, goods, letters, and messages	31,053	1,590	32,643
Working in art and mechanic productions	28,975	1,054	30,029
„ textile fabrics, dress, and fibrous articles	11,357	27,274	38,631
„ food, drinks, narcotics, and stimulants	7,460	442	7,902
„ animal and vegetable substances	6,633	298	6,931
„ minerals and metals	14,892	66	14,958
„ fuel, light, and energy	1,060	2	1,062
„ buildings, railways, roads, and earthworks	34,445	19	34,464
Labourers and others (branch of labour undefined)	39,080	359	39,439
Engaged on land and animals	117,580	11,184	128,764
Of independent means	4,661	13,681	18,342
Performing household duties and being educated	205,498	433,402	638,900
Dependent on charity or in prison	6,834	4,696	11,530
Total	606,990	555,720	1,162,710

* Including those Government and municipal officers whose duties were mainly administrative or clerical, or who were returned as civil servants, public or municipal officers, &c., also lawyers and others connected with law.

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Occupations in each colony—numbers.

44. Returns of the occupations of the people, based upon information obtained at the census of 1891, have been published by all the Australasian colonies except South Australia. The following is a statement of the numbers following the various occupations, grouped under twenty-five heads :—

Occupations of the People in Six Australasian Colonies, 1891.

(Exclusive of Aborigines and of those whose occupations were not returned.)

MIXED SEXES.

Occupations.	Victoria.	New South Wales.	Queensland.	Western Australia.	Tasmania.	New Zealand.
NUMBERS.						
1. Ministering to government, law, and order*	6,942	7,362	3,610	605	1,056	3,047
2. Ministering to religion charity, science, &c.	22,786	24,129	6,866	872	2,862	12,774
3. Ministering to board, lodging, and attendance	57,530	58,867	20,386	2,622	7,180	24,928
4. Dealing in money and real property	9,278	7,919	2,926	423	1,662	3,756
5. Dealing in art and mechanic productions	2,532	3,159	592	84	275	1,296
6. Dealing in textile fabrics, dress, and fibrous articles	6,064	5,822	1,429	110	587	3,144
7. Dealing in food, drink, groceries, narcotics, and stimulants	14,453	13,802	4,370	244	1,277	7,035
8. Dealing in animals, animal and vegetable substances	4,772	3,143	903	89	125	1,495
9. Dealing in minerals and metals	1,961	1,529	405	16	168	846
10. Dealing in fuel and light	1,665	1,349	66	1	196	397
11. General and undefined dealers, merchants, shopkeepers, clerks	26,961	18,739	6,789	1,144	2,032	8,779
12. Engaged in storage	390	314	397	33	4	1,035
13. Carriers of passengers, goods, letters, and messages	31,474	30,853	13,394	2,876	3,267	15,413
14. Working in art and mechanic productions	21,516	19,117	5,013	952	1,564	9,672
15. Working in textile fabrics, dress, and fibrous articles	37,439	24,601	7,415	437	2,803	19,437
16. Working in food, drinks, narcotics, and stimulants	7,617	7,923	2,230	264	815	4,453

* See footnote to last table.

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Occupations.	Victoria.	New South Wales.	Queensland.	Western Australia.	Tasmania.	New Zealand.
17. Working in animal and vegetable substances -	6,683	9,193	2,886	595	788	3,563
18. Working in minerals and metal - -	14,414	12,091	4,059	509	1,383	5,513
19. Working in fuel, light, and energy - -	1,025	1,634	142	12	107	255
20. Working in buildings, railways, roads, and earthworks - -	41,201	39,083	10,767	1,777	5,166	12,679
21. Working in undefined mechanical operations (chiefly labourers) -	38,544	26,912	14,622	1,789	3,390	14,949
22. Engaged on land and animals - -	128,934	137,026	67,992	8,630	23,568	90,546
23. Of independent means	17 743	10,223	464	229	671	3,103
24. Performing household duties and being educated - -	619,627	643,554	209,546	24,369	83,463	369,178
25. Dependent on charity or in prison - -	11,354	12,546	4,470	432	1,793	4,717
Total of specified occupations - -	1,132,905	1,120,890	391,789	49,114	146,202	622,010

Occupations in each colony—proportions per 1,000.

45. The next table shows, per 1,000 persons living in the same colonies, the proportions of those following the various occupations, grouped as before :—

Occupations of the People in Six Australasian Colonies, 1891.

(Exclusive of Aborigines and of those whose occupations were not returned.)

MIXED SEXES.

Occupations.	Victoria.	New South Wales.	Queensland.	Western Australia.	Tasmania.	New Zealand.
PROPORTIONS PER 1,000.						
1. Ministering to Government, law, and order*	6·13	6·56	9·21	12·32	7·22	4·90
2. Ministering to religion, charity, science, &c.	20·11	21·53	17·52	17·76	19·58	20·54
3. Ministering to board, lodging, and attendance - - - -	50·78	52·52	52·03	53·39	49·11	40·07
4. Dealing in money and real property - -	8·19	7·06	7·47	8·61	11·37	6·04
5. Dealing in art and mechanic productions	2·24	2·82	1·51	1·71	1·88	2·09
6. Dealing in textile fabrics, dress, and fibrous articles	5·35	5·19	3·65	2·24	4·02	5·05

Occupations.	Victoria.	New South Wales.	Queensland.	Western Australia.	Tasmania.	New Zealand.
7. Dealing in food, drinks, groceries, narcotics, and stimulants	12·76	12·31	11·15	4·97	8·73	11·31
8. Dealing in animals, animal and vegetable substances	4·21	2·80	2·31	1·81	·86	2·40
9. Dealing in minerals and metals	1·73	1·36	1·03	·33	1·15	1·36
10. Dealing in fuel and light	1·47	1·20	·17	·02	1·34	·64
11. General undefined dealers, merchants, shopkeepers, clerks	23·80	16·72	17·33	23·29	18·90	14·11
12. Engaged in storage	·34	·28	1·01	·67	·03	1·66
13. Carriers of passengers, goods, letters, and messages	27·78	27·52	34·19	58·56	22·35	24·78
14. Working in art and mechanic productions	18·99	17·06	12·80	19·38	10·70	15·55
15. Working in textile fabrics, dress, and fibrous articles	33·05	21·95	18·93	8·90	19·17	31·25
16. Working in food, drinks, narcotics, and stimulants	6·72	7·07	5·82	5·38	5·57	7·16
17. Working in animal and vegetable substances	5·90	8·20	7·37	12·12	5·39	5·73
18. Working in minerals and metals	12·72	10·79	10·36	10·36	9·46	8·86
19. Working in fuel, light, and energy	·91	1·46	·36	·25	·73	·41
20. Working in buildings, railways, roads, and earthworks	36·37	34·87	27·48	36·18	35·33	20·39
21. Working in undefined mechanical operations (chiefly labourers)	34·02	24·01	37·32	36·41	23·19	24·03
22. Engaged on land and animals	113·81	122·25	173·54	175·71	161·20	145·57
23. Of independent means	15·66	9·12	1·19	4·66	4·59	4·99
24. Performing household duties (if any) or being educated	546·94	574·15	534·84	496·17	570·87	593·53
25. Dependent on charity or in prison	10·02	11·20	11·41	8·80	12·26	7·58
Total	1,000·00	1,000·00	1,000·00	1,000·00	1,000·00	1,000·00

Occupations in Victoria.

46. In proportion to population, dealers and workers in textile fabrics and dress (groups 6 and 15), dealers in food and drink (group 7), dealers in animal and vegetable substances (group 8), dealers and workers in minerals and metals (groups 9 and 18), dealers in fuel and light (group 10), persons engaged in mercantile pursuits (group 11), workers in buildings, railways, and roads (group 20), and persons of independent means (group 23) were

Victoria. 1892.

more numerous, whilst persons engaged in agricultural and pastoral pursuits (group 22) were less numerous in Victoria than in any other colony named.

Occupations in New South Wales.

47. New South Wales, as compared with the other colonies, had the largest proportion of persons ministering to religion, charity, and science (group 2), dealers in art and mechanic productions (group 5), and workers in fuel, light, and energy (group 19).

Occupations in Queensland.

48. In Queensland, the proportion of labourers (group 21) was higher, whilst that of persons ministering to religion and science (group 2), that of dealers in art and mechanic productions (group 5), and that of persons of independent means (group 23), were lower, than in any other colony.

Occupations in Western Australia.

49. The proportions which were higher in Western Australia than in any of the other colonies were those of persons ministering to government, law, and order (group 1), board and lodging house keepers and servants (group 3), carriers (group 13), workers in art and mechanic productions (group 14,) workers in animal and vegetable substances (group 17), and persons engaged in agricultural and pastoral pursuits (group 22); whilst the proportions which were lower than in the other colonies were those of workers and dealers in textile fabrics and dress (groups 6 and 15), workers and dealers in food and drink (groups 7 and 16), dealers in minerals and metals (group 9), workers and dealers in fuel and light (groups 10 and 19), and persons (chiefly women and children) performing domestic duties, or being educated (group 24).

Occupations in Tasmania.

50. The proportions in Tasmania of dealers in money and real property (group 4), and of paupers and prisoners (group 25,), were higher, whilst those of persons engaged in mercantile pursuits (group 11), of persons engaged in storage (group 12), of carriers (group 13), of workers in art and mechanic productions (group 14), of dealers and workers in animal and vegetable substances (groups 8 and 17), and of labourers (group 21) were lower, than in any of the other colonies.

Occupations in New Zealand.

51. In New Zealand, the proportions which were higher than in any of the other colonies were those of persons engaged in storage (group 12), of workers in food and drink (group 16), and of persons (chiefly women and children) performing domestic duties, or being educated (group 24); whilst the proportions which were lower than in the other colonies were those of persons ministering to government, law, and order (group 1), board and lodging house keepers and servants (group 3), dealers in money and real property (group 4), workers in minerals and metals (group 18), workers in buildings, railways, roads, and excavations (group 20), and paupers and prisoners (group 25).

Breadwinners and dependents in Australasian Colonies.

52. The number of breadwinners and the number of dependents in each of the colonies named are given in the following table, the sexes being distinguished :—

Breadwinners and Dependents in Six Australasian Colonies, 1891.

(Exclusive of Aborigines and of those whose occupations were not returned.)

Colony.	Males.		Females.		Total.	
	Bread-winners.	Depen-dents.	Bread-winners.	Depen-dents.	Bread-winners.	Depen-dents.
Victoria - - -	387,658	204,921	114,266	426,060	501,924	630,981
New South Wales -	382,306	223,182	82,484	432,918	464,790	656,100
Queensland - - -	146,161	76,064	31,612	137,952	177,773	214,016
Western Australia -	21,361	8,083	2,952	16,718	24,313	24,801
Tasmania - -	48,515	28,727	12,431	56,529	60,946	85,256
New Zealand -	204,624	125,531	43,491	248,364	248,115	373,895

Relative proportion of breadwinners and dependents in Australasian Colonies.

53. In New Zealand the proportion of breadwinners was smaller, and consequently the proportion of dependents was larger, than in any of the other colonies. The following statement shows the relative proportions of the two classes in each colony :—

In New Zealand	100	breadwinners	supported	151	dependents
„ New South Wales	„	„	„	141	„
„ Tasmania	„	„	„	140	„
„ Victoria	„	„	„	125	„
„ Queensland	„	„	„	120	„
„ Western Australia	„	„	„	102	„

Unemployed in Australasian Colonies.

54. It is to be regretted that all the Australasian Colonies did not compile a return of the number of unemployed persons within their borders during the census week. A special column for that information was provided in the householder's schedule but no use seems to have been made of it in Queensland or New Zealand, whilst for South Australia the information is not yet available. The following are numbers returned as

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being out of work in the four colonies which have compiled the information :—

Unemployed in Four Australasian Colonies, 1891.

Colony.	Numbers Unemployed.		
	Males.	Females.	Total.
Victoria - - - - -	19,930	3,317	23,247
New South Wales - -	19,518	2,865	22,383
Western Australia - - -	826	52	878
Tasmania - - -	1,331	229	1,560

Order of the colonies in regard to proportion of unemployed.

55. The unemployed referred to are those willing to work if able to find suitable occupation, and are included amongst the breadwinners in the previous table. If these be compared with the total number of breadwinners in the colonies named, it will be found that the highest proportion of unemployed was in New South Wales, Victoria standing second and Western Australia and Tasmania third and fourth. The following are the proportions in the four colonies :—

Order of Colonies in reference to Proportion of Unemployed, 1891.

	Percentage of Breadwinners.
1. New South Wales - - - - - - -	4·82
2. Victoria - - - - - - - - -	4·63
3. Western Australia - - - - -	3·61
4. Tasmania - - - - - - -	2·56

Mining population, 1892.

56. When the census of 1891 was taken, the number of gold miners in Victoria was found to be 21,206 as against 35,189 returned 10 years previously. The estimate of gold miners made by the Department of Mines for the end of 1892 was 23,518, or 2,312 more than the number returned at the census. It is probable that in the departmental estimate referred to many men were considered as miners who would return themselves at the census as engineers, blacksmiths, carpenters, etc.; and, moreover, some selectors who were in the habit of dividing their time between mining and farming would return themselves as farmers. The departmental estimate for 1892 is subjoined :—

Estimated Number of Gold Miners, 1892.

Alluvial miners - - - -	10,308
Quartz miners - - - -	13,210
Total - - - -	23,518

European miners	20,982
Chinese miners	2,536
Total	23,518

European and Chinese miners.

57. According to the same estimate, the Europeans engaged in quartz mining at the end of 1892 exceeded those engaged in alluvial mining by 5,182; the numbers being 13,082 and 7,900 respectively. The Chinese seldom practise quartz mining; the numbers returned as engaged in that industry being only 128 as against 2,408 engaged in alluvial mining.

Immigration and emigration, 1892.

58. In 1892, for the first time during 30 years, the recorded departures by sea exceeded the recorded arrivals by sea;* the numbers of each, with the excess of the latter over the former, were as follows:—

Immigration and Emigration, 1892.

	Males.	Females.	Total.
Arrivals by sea	42,849	20,102	62,951
Departures by sea	46,718	22,496	69,214
Excess of departures	3,869	2,394	6,263

Gain, 1891; loss, 1892.

59. The records of both arrivals and departures show larger numbers for 1892 than for 1891, the former by 503, and the latter by 16,042; the apparent net gain, however, was 9,276 in 1891, whilst there was an apparent net loss of 6,263 in 1892.

Years in which departures exceeded arrivals.

60. Besides the year under notice, the only years since the first settlement of the Colony in which, according to the records, the departures exceeded the arrivals were 1843, 1861, and 1862. In the first of these the excess was 736, in the second 8,986, and in the last 367.

Adults and children arriving and departing.

61. The immigration authorities do not note the exact ages of the persons arriving and departing, but classify them as adults, or those from 12 years of age upwards; as children, or those between 1 year of age and 12 years; and as infants, or those under 1 year. The following are the numbers under each of these heads who came and went during 1892:—

Arrivals and Departures of Adults, Children, and Infants, 1892.

	Adults.	Children.	Infants.	Total.
Arrivals	58,690	3,958	303	62,951
Departures	62,789	5,271	1,154	69,214
Emigration in excess	4,099	1,313	851	6,263

* All the figures relating to arrivals in the Colony and departures therefrom contain statements of those who come and go by sea only. No attempt is made to keep an account of those who cross the frontier from and to the adjacent Colonies.

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Arrivals from, and departures for, different, countries.

62. The returns show a net loss by emigration of 5,526 persons to the eastern, and of 6,259 to the western colonies on the Australian Continent, also a loss of 847 to New Zealand; but a net gain by immigration of 5,827 from Tasmania, of 174 from the United Kingdom, and of 368 from foreign countries. The following is a statement of the recorded arrivals from, and departures for, each of these places during the year.

Arrivals from, and Departures for, different Countries, 1892.

Countries.	Arrivals therefrom.	Departures thereto.	Excess of Immigration.	Excess of Emigration.
New South Wales and Queensland	23,543	29,069	—	5,526
South and Western Australia	7,295	13,554	—	6,259
Tasmania	22,631	16,804	5,827	—
New Zealand	3,334	4,181	—	847
The United Kingdom	4,091	3,917	174	—
Foreign Countries	2,057	1,689	368	—
Total	62,951	69,214	—	6,263§

Immigration and emigration in Australasian Colonies, 1892.

63. The following table shows the recorded arrivals in, and departures from, each Australasian Colony by sea, and the excess of the former over the latter during the year 1892; the sexes of those who came and who went away being also distinguished:—

Immigration and Emigration Returns of the Australasian Colonies, 1892.

Colony.	Arrivals.			Departures.*			Excess of Arrivals over Departures.†		
	Males.	Females.	Total.	Males.	Females.	Total.	Males.	Females.	Total.
Victoria	42,849	20,102	62,951	46,718	22,496	69,214	−3,869	−2,394	−6,263
New South Wales	42,921	19,276	62,197	36,634	16,053	52,687	6,287	3,223	9,510
Queensland	10,211	4,435	14,646	9,393	4,171	13,564	818	264	1,082
South Australia‡	12,745	4,688	17,433	10,768	3,706	14,474	1,977	982	2,959
Western Australia	5,828	1,612	7,440	2,299	669	2,968	3,529	943	4,472
Total	114,554	50,113	164,667	105,812	47,095	152,907	8,742§	3,018§	§11,760
Tasmania	16,849	6,895	23,744	16,049	8,358	24,407	800	−1,463	§−663
New Zealand	12,131	5,991	18,122	8,469	4,695	13,164	3,662	1,296	4,958
Grand Total	143,534	62,999	206,533	130,330	60,148	190,478	13,204§	2,851§	§16,055

NOTE.—The figures in this table refer to immigration and emigration by sea only.

* The figures in these columns understate the truth. Many persons leave all the colonies by sea without their departure being noted.

† Where the minus sign (−) appears the departures exceeded the arrivals by the number against which it is placed.

‡ Exclusive of the Northern Territory. § Net figures.

64. The figures in the table indicate the persons going from colony to colony, as well as those arriving from, and departing for, distant countries. The figures in the total and grand total lines of the last three columns, however, ought to show the net gain to the population of Australia and Australasia by immigration. By the last of these columns it is seen that, in 1892, the Australian Continent apparently gained about 11,800, and the continent, with the addition of Tasmania and New Zealand, apparently gained over 16,000 inhabitants. The corresponding figures for 1891 were 36,561 and 39,445; those for 1890 were 51,139 and 51,804; those for 1889 were 48,802 and 51,688; those for 1888 were 73,844 and 65,599; those for 1887 were 61,732 and 65,041; and those for 1886 were 63,144 and 64,947. Many persons, however, leave all the colonies by sea without their departure being noted; therefore the actual gain from without is always less than the records indicate.

Net gain by immigration to Australia and Australasia.

65. It will be noticed that, according to the returns, all the colonies gained by excess of immigration over emigration except Victoria and Tasmania, the former of which lost 6,263 and the latter 663 persons by excess of departures over arrivals. The loss in Tasmania was confined to females, of which there was a net emigration of 1,463, whilst, on the other hand, there was a gain of 800 males by the net immigration of persons of that sex.

Net loss in Victoria and Tasmania.

64. Cities in Victoria number 11, towns 10, and boroughs 38, or 59 in all. The following is a statement of the estimated area, population, and number of dwellings, the total and annual value of rateable property, and the total revenue of each city, town, and borough during the year 1892. The areas have been quite recently carefully revised by the Lands Department:—

Cities, towns, and boroughs, 1892.

Cities, Towns, and Boroughs, 1892.

Name.	Estimated Area in Acres.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total Revenue.
				Total.	Annual.	
CITIES.				£	£	£
Ballarat - -	4,090	23,000	5,524	2,669,580	177,972	31,085
Bendigo - -	7,900	27,200	6,424	1,673,050	167,305	27,049
Collingwood -	1,139	33,673	7,947	2,498,070	249,807	27,348
Fitzroy - -	923	30,510	6,987	3,496,070	349,607	35,873
Footscray - -	3,693	18,253	4,383	3,600,000	172,995	30,174
Hawthorn -	2,389	18,860	4,412	3,097,728	258,144	28,613
Melbourne - -	5,020	74,317	15,844	19,778,330	1,977,833	220,496
Prahran - -	2,320	37,820	9,060	7,491,582	535,113	48,960
Richmond - -	1,430	33,020	9,061	4,101,705	273,447	40,847
South Melbourne -	2,311	42,617	9,209	10,605,800	530,290	64,818
St. Kilda - -	2,046	20,202	4,147	3,974,399	305,723	34,148

Name.	Estimated Area in Acres.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total Revenue.
				Total.	Annual.	
				£	£	£
TOWNS.						
Ballarat East	4,331	16,700	4,087	793,600	79,360	12,603
Brighton	3,288	9,835	2,223	2,980,660	149,033	15,282
Brunswick	2,722	20,007	5,350	2,108,750	210,875	26,374
Essenden	4,000	14,726	3,619	2,788,158	185,877	27,394
Geelong	3,012	11,900	2,740	973,030	97,303	15,664
Northcote	2,850	7,100	1,843	1,635,228	90,846	11,509
North Melbourne	565	22,325	4,403	1,175,148	175,148	19,077
Port Melbourne	2,366	12,320	2,809	1,137,720	113,772	15,920
Warrnambool	3,450	6,300	1,362	985,400	49,270	12,353
Williamstown	2,775	16,000	3,500	1,230,800	123,080	16,632
BOROUGHS.						
Ararat	3,840	3,235	535	177,150	17,715	3,014
Browns and Scarsdale	5,760	710	170	10,710	2,142	274
Buninyong	3,424	1,200	303	63,420	6,342	1,029
Carisbrook	5,395	1,314	273	56,680	5,700	910
Castlemaine	5,760	4,700	1,100	302,600	30,260	4,656
Chewton	5,760	1,250	408	33,170	6,634	663
Clunes	5,760	3,117	765	81,466	11,633	2,626
Creswick	4,760	3,000	634	81,830	10,229	2,679
Daylesford	4,062	4,130	890	171,200	17,120	4,210
Dunolly	5,760	1,425	365	80,000	8,258	1,378
Eaglehawk	3,640	7,645	1,811	413,103	31,854	4,867
Echuca	4,308	4,500	1,080	350,000	32,864	5,547
Flemington and Kensington	1,088	10,500	2,200	1,900,000	95,000	13,729
Geelong West	859	5,715	1,426	362,766	30,230	4,864
Hamilton	5,100	3,400	650	200,000	21,879	4,876
Heathcote	—	—	—	—	—	—
Horsham	5,760	3,000	600	300,000	26,495	4,676
Inglewood	2,560	1,300	400	47,000	8,473	1,291
Kew	3,553	8,500	1,470	1,595,434	106,362	11,252
Koroit	5,599	1,675	315	193,512	16,126	2,150
Majorca	5,005	1,005	270	33,440	4,180	574
Malmsbury	4,214	1,367	420	34,850	6,974	1,153
Maryborough	5,760	5,200	1,100	287,600	28,760	4,438
Newtown and Chilwell	1,422	5,216	1,100	498,405	33,227	3,952
Oakleigh	2,178	1,150	308	365,000	24,217	1,908
Port Fairy	5,902	1,800	415	253,906	12,69	3,689

Name.	Estimated Area in Acres.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total Revenue.
				Total.	Annual.	
BOROUGHS—*cont.*				£	£	£
Portland	2,860	2,284	500	212,610	14,174	8,762
Queenscliff	2,173	2,000	364	158,340	13,195	2,481
Raywood	5,760	480	108	15,418	2,164	379
Rutherglen	1,280	840	190	46,936	5,867	1,349
Sale	5,442	3,415	777	370,000	27,781	8,468
Sebastopol	1,880	2,580	595	90,000	8,275	1,265
Smythesdale	1,440	433	112	19,305	1,930	173
St. Arnaud	6,355	3,100	640	174,030	17,403	3,474
Stawell	5,996	5,200	1,150	144,000	20,578	3,606
Talbot	5,578	1,420	360	31,315	6,263	1,039
Tarnagulla	5,133	720	200	40,000	5,326	658
Wangaratta	3,932	2,050	450	148,990	14,899	2,967
Wood's Point	2,560	299	65	—	—	—
Total	220,238 or 344 sq. m.	607,560	139,553	88,138,720	7,006,030	882,795

67. The next table gives a list of the shires, numbering 139, together with a statement of the estimated area, population, and number of dwellings; the total and annual value of rateable property, and the total revenue of each shire, during the year 1892:— Shires, 1892.

Shires, 1892.

Name.	Estimated Area.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total Revenue.
				Total.	Annual.	
	Sq. Miles.			£	£	£
Alberton	1,413	5,793	1,411	650,570	65,057	9,350
Alexandra	766	2,644	570	305,000	33,687	5,953
Arapiles	769	3,600	680	800,000	33,442	4,285
Ararat	1,556	4,650	930	1,649,330	82,466	10,505
Avoca	463	4,585	1,150	254,210	25,428	3,587
Avon	640	2,358	523	500,000	33,552	5,461
Bacchus Marsh	210	2,500	540	342,380	26,337	4,056
Bairnsdale	1,130	8,000	1,720	1,033,000	76,594	14,538
Ballan	359	6,000	1,200	671,440	36,738	7,060
Ballarat	182	4,491	870	985,685	49,283	6,868
Bannockburn	136	1,850	320	260,000	18,247	2,245

Name.	Estimated Area.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total Revenue.
				Total.	Annual.	
	Sq. Miles.			£	£	£
Barrabool	195	2,098	426	323,100	24,854	2,921
Beechworth	314	8,000	1,650	373,090	37,309	7,475
Belfast	201	2,700	490	1,031,600	40,451	5,758
Bellarine	128	4,450	995	506,980	42,248	5,428
Benalla	1,140	9,000	1,760	981,840	98,184	14,881
Berwick	387	4,125	930	1,213,270	60,664	7,389
Bet Bet	337	3,600	1,100	220,500	22,967	5,467
Boroondara	13	6,430	1,558	3,000,000	151,675	15,335
Borung	852	5,621	1,147	719,760	53,982	5,590
Braybrook	92	1,891	412	902,000	45,100	4,659
Bright	1,292	4,258	975	238,610	23,861	4,133
Broadford	218	1,630	324	258,000	12,900	1,477
Broadmeadows	74	1,250	342	377,225	37,772	4,509
Bulla	112	2,300	340	535,000	26,735	3,114
Buln Buln	475	4,000	1,850	870,660	43,533	10,188
Bungaree	88	5,600	1,000	669,300	33,465	4,855
Buninyong	296	7,000	1,496	589,040	49,920	6,232
Caulfield	9½	8,200	2,000	3,489,730	193,874	17,044
Chiltern	95	2,300	505	70,220	10,032	1,368
Coburg	7½	5,821	1,300	865,480	86,548	10,897
Colac	1,094	8,000	1,550	1,713,900	114,260	15,439
Corio	243	2,167	456	300,900	30,332	3,475
Cranbourne	218	1,950	420	715,890	35,790	4,269
Creswick	198	8,016	1,707	1,243,360	62,168	8,331
Croajingolong	3,721	2,600	—	—	—	—
Dandenong	60	2,166	512	469,020	39,085	5,616
Darebin	81	1,400	270	194,020	19,402	2,515
Dimboola	4,756	5,280	1,150	1,045,560	52,278	7,251
Doncaster	13½	992	187	468,440	53,422	2,428
Dundas	1,364	3,374	699	1,800,050	89,645	9,968
Dunmunkle	551	4,800	911	1,027,000	61,074	7,753
East Loddon	455	1,700	400	338,860	33,386	4,403
Echuca	1,115	7,347	1,504	1,980,000	89,956	12,935
Eltham	216	3,900	635	628,200	31,410	4,050
Euroa	860	7,500	1,400	843,670	70,326	9,065
Fern Tree Gully	120	2,500	500	677,140	33,857	3,673
Flinders and Kangerong	184	2,540	560	532,000	26,600	3,219
Gisborne	100	3,840	950	249,800	24,980	2,906
Glenelg	1,411	5,000	967	1,901,600	95,080	12,545

Name.	Estimated Area.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total Revenue.
				Total.	Annual.	
	Sq. Miles.			£	£	£
Glenlyon	121	2,700	600	171,860	17,186	1,965
Gordon	856	4,150	900	1,207,100	60,350	7,993
Goulburn	257	2,553	520	280,000	31,634	6,181
Grenville	315	3,555	945	340,500	32,552	4,099
Hampden	1,738	8,360	1,700	2,988,780	149,439	19,578
Healesville	197	1,250	246	200,000	12,600	2,826
Heidelberg	41	4,400	820	1,534,940	76,747	10,482
Howqua	834	2,000	505	25,000	4,920	1,317
Huntly	335	4,000	750	385,960	31,960	3,665
Kara Kara	911	4,584	1,118	486,460	48,646	5,296
Keilor	53	747	200	186,990	18,699	1,976
Kilmore	92	2,422	502	221,715	23,116	2,883
Korong	1,121	8,500	2,100	1,212,720	72,777	9,338
Kowree	1,448	3,000	650	809,970	53,993	6,774
Kyneton	253	8,730	1,840	1,411,790	70,589	11,636
Lancefield	38	1,240	255	226,000	15,156	1,889
Lawloit	2,265	2,453	450	466,690	37,335	3,307
Leigh	381	1,519	370	394,450	39,445	5,104
Lexton	300	2,300	509	427,275	26,705	3,295
Lilydale	180	4,739	1,020	777,390	51,826	6,052
Lowan	2,289	6,100	2,130	1,200,000	67,082	10,219
Maffra	966	3,600	710	916,280	45,814	7,093
Maldon	212	4,400	1,670	568,320	28,416	5,031
Malvern	6½	8,856	1,989	4,189,920	209,496	22,296
Mansfield	825	4,000	920	820,000	40,743	7,494
Marong	562	7,345	1,668	656,365	65,636	9,153
Melton	101½	1,200	232	350,060	17,968	2,263
Meredith	181	1,268	287	307,040	15,352	1,867
Merriang	117	1,086	243	214,440	17,870	1,530
Metcalfe	213	3,997	690	130,230	26,046	3,274
Mildura	4,564	3,500	550	683,610	45,574	2,869
Minhamite	541	1,813	456	1,394,960	47,448	5,455
Moorabbin	32	6,361	1,449	1,877,590	156,466	12,911
Mornington	118	3,750	900	1,134,360	56,718	6,199
Mortlake	815	2,884	525	860,700	86,070	9,782
Morwell	255	2,300	—	—	—	—
Mt. Alexander	50	2,350	655	66,230	11,039	1,570
Mt. Franklin	107	2,921	760	144,800	15,007	2,400
Mt. Rouse	537	2,164	460	1,217,660	60,883	8,419

Name.	Estimated Area.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total. Revenue.
				Total.	Annual.	
	Sq. Miles.			£	£	£
McIvor - -	580	3,988	942	714,120	35,706	5,066
Narracan - - -	640	4,000	920	677,540	33,877	5,554
Newham - -	91	3,215	540	278,400	18,560	2,592
Newstead - -	105	2,370	525	239,130	15,942	2,350
North Ovens -	237	1,986	392	434,170	21,708	3,108
North Yarrawonga -	242	3,300	628	750,000	37,324	4,432
Numurkah - -	765	7,695	1,524	1,478,200	73,910	9,882
Nunawading - -	23½	4,000	1,005	1,633,760	81,638	9,512
Oakleigh - -	25½	1,677	355	972,180	48,609	5,723
Omeo - - -	2,211	3,650	848	604,215	40,281	7,774
Oxley - - -	1,005	3,460	716	683,900	34,195	5,287
Phillip Island - -	304	2,000	250	560,000	28,000	4,836
Poowong & Jeetho -	151	2,600	405	654,800	31,181	4,674
Portland - - - -	1,460	5,700	1,100	1144,690	72,345	8,988
Preston - -	13½	3,126	818	1,405,020	70,252	6,748
Pyalong - - -	229	1,200	220	296,520	14,826	1,726
Ripon - -	588	4,400	1,075	928,405	61,894	8,021
Rodney - - -	400	5,279	1,131	886,770	59,118	7,277
Romsey - -	85	1,910	372	532,580	26,629	3,287
Rosedale - - -	804	3,760	750	1,006,440	50,322	6,663
Rutherglen - -	205	3,750	876	493,680	30,855	4,317
Seymour - - -	382	4,880	1,220	397,120	39,712	7,484
Shepparton - -	208	4,000	730	433,250	43,325	7,306
South Barwon -	63	2,159	523	183,140	18,314	2,542
Springfield - -	111	1,000	193	302,620	15,131	1,667
St. Arnaud - -	1,690	7,469	1,509	1,685,900	93,661	10,340
Stawell - -	994	3,820	935	983,380	51,757	6,607
Strathfieldsaye -	234	3,380	760	204,930	20,493	2,483
Swan Hill - -	5,621	8,000	1,525	1,768,800	88,440	10,204
Talbot - - -	184	1,755	450	173,010	17,301	2,297
Tambo -	1,295	2,200	975	657,100	32,856	5,704
Templestowe - -	20½	820	198	293,220	14,660	1,851
Towong - -	2,545	5,270	1,047	1,082,620	54,131	10,131
Traralgon - -	199	2,500	1,070	193,305	38,660	7,106
Tullaroop - -	222	3,750	920	261,570	16,157	3,507
Upper Yarra - -	454	800	250	272,200	13,612	4,133
Walhalla -	409	2,472	700	58,300	15,575	5,568
Wannon - -	753	2,485	479	1,490,780	74,539	8,441
Waranga - -	700	3,700	1,800	1,277,120	63,856	8,654

Name.	Estimated Area.	Estimated Population.	Estimated Number of Dwellings.	Estimated Value of Rateable Property.		Total Revenue.
				Total.	Annual.	
	Sq. Miles.			£	£	£
Warragul - - -	123	3,800	800	864,660	43,233	8,581
Warrnambool - -	610	8,547	1,605	2,577,580	128,879	15,857
Whittlesea - -	138	1,884	440	184,000	18,400	3,081
Wimmera - -	1,140	5,955	1,191	1,564,700	76,735	9,639
Winchelsea - -	630	3,500	720	950,000	49,090	7,495
Wodonga - - -	104	1,848	362	142,330	14,233	2,325
Wooayl - -	610	4,000	600	700,000	39,991	8,821
Wyndham - -	275	1,860	400	1,423,000	69,890	9,179
Yackandandah -	812	5,225	1,140	794,000	39,780	6,454
Yarrawonga - -	602	6,668	1,158	994,250	76,481	16,269
Yea - - -	600	3,300	560	714,100	35,705	4,662
Total - - -	86,821½	537,127	117,238	109,228,220	6,599,960	884,157

68. The total area included in the two descriptions of municipalities is as follows:— Area of municipalities.

Area embraced in Municipalities, 1892.

	Sq. Miles.
Cities, towns, and boroughs - -	344
Shires - - - - - -	86,821½
Total - - - - - -	87,165½

69. The estimated area in Victoria is 87,884 square miles. It thus appears that all but about a one hundred and twentieth part of this area is included within the limits of municipal districts. Proportion to total area of Victoria.

70. The population of the two kinds of districts, as estimated by the municipal authorities, was as follows at the end of 1892:— Population of municipalities.

Population of Municipalities, 1892.

Cities, towns, and boroughs - -	607,560
Shires - - - - -	537,127
Total - - - -	1,144,687

VICTORIA. 1892.

Population outside municipalities.

71. According to the recent census, the shore residents living outside municipalities numbered only 91, whilst persons in ships and vessels numbered 2,439 or 2,530 in all. If this number be added to the municipal estimate of population the total would be 1,147,217, or 20,156 less than the estimated population at the end of the year, already stated to have been 1,167,373. The municipal estimate is made up about August, or four months before the other one, still the difference between the two estimates is wider than it would be if both had been correct. There is no doubt sufficient pains are not taken in some municipalities to secure a correct return of the population.

Ratepayers in municipalities.

72. The ratepayers in the two kinds of municipal districts numbered as follows, in 1892. Each ratepayer is not necessarily a distinct individual, as ratepayers having property in more than one municipality, or more than one ward or riding of the same municipality, are entered on the municipal roll for each such property:—

Ratepayers in Municipalities, 1892.

Cities, towns, and boroughs - -	142,477
Shires - - - - -	141,470
Total - - - -	283,947

Dwellings in municipalities.

73. The following is a statement of the number of dwellings in the two kinds of municipal districts as returned at the end of 1892:—

Dwellings in Municipalities, 1892.

Cities, towns, and boroughs - -	139,553
Shires - - - - -	117,238
Total - - - -	256,791

Persons to dwellings in municipalities.

74. According to the census of 1891, the inhabited dwellings in the colony numbered 224,021. All of these except 26 were situated in municipal districts.

Area, population, &c. in shires and boroughs compared.

75. The area contained in shires is about 250 times that in cities, towns and boroughs, but the population in the latter exceeds that in the former by nearly an eighth, and the dwellings in the latter exceed those in the former by nearly a fifth.

Finance account, 1891–92.

76. The following is a statement of the revenue and expenditure of Victoria in the financial year ended on the 30th June 1892; the excess of the latter over the former; the debit balance

brought forward from 1890–91, and that carried forward to 1892–93 :—

Finance Account of Victoria, 1891–92.*

(Exclusive of recoups and special receipts and expenditure.)

	£	s.	d.
Receipts - - - -	7,729,571	10	4
Expenditure - - -	8,482,916	12	0
Expenditure in excess of receipts - - -	753,345	1	8
Debit balance from 1890–91 -	206,842	17	8
Debit balance carried forward to 1892–93 - - -	£960,187	19	4

Large debit balance.

77. During the financial year under review, the expenditure exceeded the receipts by 753,345*l.*, and, adding this to the debit balance brought forward from the previous year, viz., 206,843*l.*, there results a debit balance of 960,188*l.*, to be carried forward to 1892–93. This is only the second debit balance which has occured during the last 11 years.

Net revenue and expenditure.

78. In the following table the receipts and expenditure, exclusive of advances recouped and to be recouped, are given for each of the 11 financial years ended with 1891–92; also the surplus or deficiency of revenue in each year, and the credit or debit balances carried forward from year to year :—

Net Public Revenue and Net Public Expenditure, 1881–82 *to* 1891–92.

Year.	Excluding Advances Recouped and to be Recouped.			
	Public Revenue.	Public Expenditure.	Surplus (+). Deficiency (−).	Balances carried forward Credit (+) Debit (−).
	£	£	£	£
1881–82 -	5,589,972	5,145,764	+ 444,208	+ 144,608
1882–83 -	5,602,066	5,643,885	− 41,819	+ 102,789

* According to a statement distributed to members of the Legislative Assembly in September, 1893, by the Honourable the Treasurer, the revenue of 1892–93 was 6,959,229*l.*, and the expenditure was 7,991,956*l.*, the latter thus exceeding the former by 1,032,727*l.*, which amount, being added to the balance at the beginning of the financial year, leaves a debit balance of 1,992,915*l.*, which, being added to the balance at the debit of the Land Sales by Auction Fund, 502,817*l.* (which until recouped by the sale of lands by auction, remains a charge on the public account), results in a total debit balance of 2,495,732*l.*, of which 738,867 is covered by the issue of temporary Treasury bills. The estimated population at about the middle of the same 12 months was about 1,167,373, so that the revenue per head was 5*l.* 19*s.* 3*d.*, and the expenditure per head 6*l.* 16*s.* 11*d.* These figures are not final.

VICTORIA. 1892.

Year.	Excluding Advances Recouped and to be Recouped.			
	Public. Revenue	Public Expenditure.	Surplus (+). Deficiency (−)	Balances carried forward Credit (+). Debit (−).
	£	£	£	£
1883–84 -	5,934,578	5,653,293	+ 281,285	+ 384,074
1884–85 -	6,290,361	6,121,564	+ 168,797	+ 552,871
1885–86 -	6,416,406	6,513,540	− 97,134	+ 455,737
1886–87 -	6,733,826	6,561,251	+ 172,575	+ 628,312
1887–88 -	7,607,598	7,287,151	+ 320,447	+ 948,758
1888–89 -	8,675,990	7,919,902	+ 756,088	+1,704,846
1889–90 -	8,519,159	9,645,737	−1,126,578	+ 578,268
1890–91 -	8,343,588	9,128,699	− 785,111	− 206,843
1891–92 -	7,729,572	8,482,917	− 753,345	− 960,188

Years of highest and lowest surplus and deficiency, &c.

79. It will be noticed that the gross revenue showed a surplus in six, and a deficiency in five, of the years named. On the whole, the deficiencies were larger than the surpluses, as the credit balance, amounting to 145,000*l.*, carried forward at the end of the first year has disappeared, and its place at the end of the last year has been supplied by a debit balance of 960,000*l.* By far the largest surplus of revenue ever received was in 1888–89 (756,000*l.*), when it exceeded by nearly one-third of a million sterling that in 1881–82 (444,000*l.*), which was the next largest. The largest deficiencies of revenue were in 1889–90, 1890–91, and 1891–92, in the order named. It should be pointed out, however, that the deficit in those years would have been less by over half a million sterling but for the system, in vogue for some years, of charging forward expenditure from one year to another having been abandoned in those years with the view of placing the accounts on a sounder basis.

Changes in sources of revenue.

80. No changes were made in the taxation of the people in 1891–92. As regards other sources of revenue, the railways were extended by an average length of 140 miles during the year; and, in consequence, the revenue derivable therefrom might have been expected to increase, allowing 1,240*l.*, per mile, by about 174,000*l.* As a matter of fact, however, the railway revenue decreased by 208,000*l.*, as will be shown later on, owing to a serious falling-off in the traffic.

Revenue 1891–92 and previous years.

81. The revenue was less in 1891–92 by 614,000 than in 1890–91, by 790,000*l.* than in 1889–90, and by 946,000, than in 1888–89;

it was, however, larger by 122,000*l.* than in 1887–8, and close on 1,000,000*l.* larger than that raised in any other previous year. Comparing 1881–82, 10 years previously, with the year under review, it will be found that the revenue increased from 5,600,00 0*l.* to 7,700,000*l.*, or by 37 per cent., the population during the same period having increased by only 30 per cent.

Expenditure, 1891–92 and former years.

82. The ordinary expenditure was less in 1891–92 than in 1890–91 by 646,000*l.*, and than in 1889–90 by 1,163,000*l.*, but was larger than in 1888–89 by 563,000, than in 1887–88 by nearly 1,200,000*l.*, and than in 1886–87 by close on 2,000,000*l.* Prior to 1853, the annual expenditure never exceeded one million sterling; from 1853 to 1872–73 it was usually nearly up to, or slightly over, three millions; from 1873–74 to 1879–80 it was between four and four and three-quarter millions; from 1880–81 to 1883–84 it ranged from five to nearly five and three-quarter millions; from 1884–5 to 1888–89 it increased from six to nearly eight millions sterling; whilst in 1889–90 and 1890–91 it exceeded nine millions, and in 1891–92 it nearly equalled eight and a half millions.

Revenue and expenditure per head, 1881–82 to 1891–92.

83. A statement of the revenue and expenditure per head during each of the last 11 years will be found in the following table:

Revenue and Expenditure per Head, 1881–82 *to* 1891–92.

Year.	Average Population of each Financial Year.	Revenue per Head.			Expenditure per Head.		
		£	*s.*	*d.*	£	*s.*	*d.*
1881–82	879,886	6	7	1	5	17	0
1882–83	899,562	6	4	6	6	5	5
1883–84	920,694	6	8	11	6	2	9
1884–85	944,564	6	13	2	6	9	7
1885–86	969,202	6	12	5	6	14	5
1886–87	1,000,510	6	14	7	6	11	1
1887–88	1,032,993	7	7	4	7	1	1
1888–89	1,076,966	8	1	1	7	7	1
1889–90	1,103,727	7	14	5	8	14	10
1890–91	1,133,266	7	7	3	8	1	1
1891–92	1,157,678	6	13	6	7	6	7

Revenue and expenditure per head in 1891–92 and former years.

84. The revenue per head in 1891–92 was less by 13*s.* 9*d.* and the expenditure per head was less by 14*s.* 6*d.*, than in the previous year. The former was also considerably lower than in any year since 1886–87, but differed slightly from the average for the three years ended with that year; whilst the latter was much lower than in 1889–90 or 1890–91, slightly lower than in 1888–89 but higher than in any other year named. In proportion to population, the revenue and, as a consequence, the expenditure, declined pretty steadily, year by year, from 1862 to 1872–73; then a gradual increase took place from year to year until the revenue per head reached a maximum in 1888–89, and the expenditure in 1889–90; but since then a rapid falling-off has occurred. It will also

be noticed that the expenditure per head exceeded the revenue per head in 1891–92 by 13*s.* 1d. as compared with 13*s.* 10*d.* in 1890–91, and 1*l.* 0*s.* 5*d.* in 1889–90.

Heads of revenue, 1890–91 and 1891–92.

85. The various sources from which the revenue of Victoria is derived may be grouped in five main divisions, viz. :—Taxation, Crown Lands, Railways and other Reproductive Public Works, Post and Telegraphs and Other Sources. In 1891–92, 3,149,000*l.*, or 41 per cent., was derived from taxation; 520,000*l.*, or 7 per cent., from Crown Lands; 3,750,000*l.*, or 48 per cent., from what may be termed the commercial undertakings of the Government, viz :—Railways, Water Works, and Post and Telegraphs, to which the Railways alone contributed as much as 3,100,000*l.*, or 40 per cent. of the total revenue; whilst the balance, amounting to 309,000*l.*, or about 4 per cent. of the whole, was derived from other sources. Of the Land Revenue, amounting to 520,000*l.*, by far the greater proportion, or 393,000*l.*—being equal to over 5 per cent. of the total revenue— was derived from the sale of public land, which, being a receipt arising from the realization of one of the most valuable assets of the country, is obviously not a permanent source of income. As a rule, portion of this amount is properly treated as capital, about 100,000*l.* being paid annually towards the construction of railways, as directed by the *Land Acts* 1884 and 1890, which provide that all proceeds arising from the sale of public lands by auction shall be paid to the credit of the Railway Construction Account. This contribution, however, is from 1891–92 to be temporarily diverted for some years into the Land Sales by Auction Fund, until the public works authorised out of that fund have been constructed. The following is a statement of the amounts received under different heads in each of those divisions during the last two financial years, together with the increase or decrease under each head :—

Heads of Revenue, 1890–91 *and* 1891–92.

Heads of Revenue.	Amounts received.		Increase.	Decrease.
	1890–91.	1891–92.		
TAXATION.	£	£	£	£
Customs duties (including also wharfage rates)	2,525,572	2,388,961	—	136,611
Excise	129,990	143,575	13,585	—
Ports and harbours (chiefly tonnage dues)	20,669	18,880	—	1,789
Licenses (business)	22,152	20,755	—	1,397
Duties on estates of deceased persons	184,886	247,534	62,648	—
Duties on bank notes	30,736	27,954	—	2,782
Stamp duty	218,000	175,000	—	43,000
Land tax	120,633	126,651	6,018	—
Total	3,252,638	3,149,310	—	103,328

Heads of Revenue.	Amounts received. 1890-91.	Amounts received. 1891-92.	Increase.	Decrease.
LAND REVENUE.	£.	£.	£.	£.
Land sales (including rents counting towards purchase money)	476,542	392,544	—	83,998
Rents of Crown lands (not counting towards purchase money)	136,601	127,040	—	9,561
Penalties under Land Acts	308	—	—	308
Total	613,451	519,584	—	93,867
PUBLIC WORKS.				
Railways	3,306,580	3,098,251	—	208,329
Water supply { Metropolitan	204,026	57,349	—	146,677
Water supply { Country	77,055	84,352	7,297	—
Other public works	6,701	8,614	1,913	—
Total	3,594,362	3,248,566	—	345,796
POST AND TELEGRAPHS.				
Postal receipts, &c.	322,693	336,558	13,865	—
Telegraph receipts, &c.	176,634	166,248	—	10,386
Total	499,327	502,806	3,479	—
OTHER SOURCES.				
Mint charges	10,655	11,575	1,100	—
„ subsidy returned	4,760	10,498	5,738	—
Fees, fines, &c. (inclusive of fee stamps)	162,452	137,148	—	25,304
Interest on public account	56,492	33,243	—	23,249
Rents (other than Crown lands)	2,427	1,893	—	534
Reimbursements in aid	76,522	72,413	—	4,109
Miscellaneous receipts	70,502	42,356	—	28,146
Total	383,810	309,306	—	74,504
Total Ordinary Revenue	8,343,588	7,729,572	—	614,016

Diminished revenue, 1891–92, under various heads.

86. Comparing the revenue of 1891–92 with that of the previous year, it will be observed that there was a total net decrease of 614,000*l.*, resulting from a falling-off of 726,000*l.* under 16 heads, less an increase of 112,000*l.* under the other eight. In taxation there was a falling-off of 185,500, mainly in the revenue from customs and stamp duties, partly counterbalanced by an increase of 82,200*l.*, in the receipts from estates of deceased persons, excise, and land revenue, the resulting net decrease being 103,300*l.* There was also a similar falling-off in the land revenue, viz., 93,900*l.*, which is chiefly to be attributed to the smaller quantity of Crown land alienated, the receipts from rental alone having fallen off by less than 10,000*l.*, the greatest decrease of all, however, was in the railway revenue, which fell off by 208,300*l.*, notwithstanding the greater length of lines opened for traffic. The revenue of the Melbourne Water Works having been transferred to the newly constituted Melbourne and Metropolitan Board of Works, there is naturally a decrease of 146,700*l.* under that head; the amount of

57,300*l.*, appearing in 1891–92 for the first time being for interest on Government loans for which the Board has has become responsible. Postal receipts &c., which, besides receipts from postage include commission on money orders, proceeds of parcels post, &c., show an apparent increase of 13,900*l.*, but the Telegraph revenue shows, for the first time for many years, a falling off, viz., of 10,400*l.* although it is still higher than in any year prior to 1889–90. Under "Other sources," there was a decrease of 25,300*l.* in fees, &c., owing to the general contraction in business; of 23,200*l.* in the interest received on the public account, and 28,000*l.* under miscellaneous receipts.

Heads of expenditure, 1890–91 and 1891–92.

87. Of the total ordinary expenditure of Victoria in 1891–92 1,352,000*l.*, or 16 per cent., was disbursed to defray the cost of Government, maintenance of law and order, and provision against foreign attack; 863,000*l.*, excluding 5,900*l.* for buildings, or 10 per cent., was contributed towards public instruction and the advancement and dissemination of knowledge; 300,000*l.*, or 3½ per cent., was expended on public charities or devoted to the preservation of the public health; 98,000*l.*, or 1 per cent., was expended on the management and survey of the Crown lands, or about 29,000*l.* less than the gross annual rental therefrom during the same financial year; as much as 4,513,000*l.*, or 53 per cent., was absorbed in carrying on the various commercial undertakings of the Government, viz., 2,157,000*l.* on railways and waterworks, besides 1,600,000*l.* in interest and expenses on loans raised for their construction, and 756,000*l.* on post and telegraphs; 114,000*l.* was paid as interest on amounts borrowed for the construction of other public works; 85,000*l.* was the cost of collecting the revenue from Customs duties and Excise, whilst 34,000*l.* was spent on the maintenance of ports and harbours; and 268,000*l.*, or 3 per cent., was granted in aid of the agricultural and mining industries. The amounts just enumerated, together with 82,000*l.* expended on miscellaneous services, form the ordinary expenditure for the year; but, besides this, an amount of 759,900*l.*, or nearly 9 per cent. of the total expenditure, was spent on the construction of various public works of a permanent character, viz., 5,900*l.* on State school buildings, and 754,000*l.* on "miscellaneous public works," which embraces the cost of erection and of maintenance of public offices and buildings of all kinds, expenditure on roads and bridges, and municipal subsidies (380,000*l.*). These amounts might be considered as a set-off against the proceeds of land sales, before referred to, which they even exceeded by 367,000*l.* In 1891–92 there were also certain items of special expenditure, amounting to 20,139*l.* (in addition to 108,905*l.* in the three previous years) for the extension and improvement of the Law Courts and offices, recouped from the proceeds of the sale of the city police court. The following is a classification of the expenditure under 10 divisions and 28 subsidiary heads, during the years 1890–91 and 1891–92, also the increase or decrease in the latter year.

Heads of Expenditure, 1890-91 and 1891-92.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1890-91.	1891-92.		
GENERAL GOVERNMENT.	£	£	£	£
Civil list	41,827	42,223	396	—
Legislature	73,503	95,891	22,308	—
Civil establishment	166,964	149,868	—	17,096
Retiring allowances and pensions	125,504	138,981	13,477	—
Gratuities, compensations, &c.	56,697	60,724	4,027	—
Total	464,495	487,687	23,192	—
LAW, ORDER, AND PROTECTION.				
Judicia and legal	237,941	217,823	—	20,118
Police	284,097	283,409	—	688
Gaols and penal establishments	71,429	65,679	—	5,750
Defences—Naval and Military	294,967	297,828	2,861	—
Total	888,434	864,739	—	23,695
EDUCATION, SCIENCE, CHARITY, &c.				
Public instruction, science, &c.	867,641	863,070	—	4,571
State school buildings	76,390	5,904	—	70,486
Charitable institutions, medical, &c.	303,134	300,450	—	2,684
Total	1,247,165	1,169,424	—	77,741
CROWN LANDS.				
Administration and survey	99,695	98,031	—	1,664
Agriculture, &c.	130,948	142,111	11,163	—
Mining	121,310	126,380	5,070	—
Total	351,953	366,522	14,562	—
PUBLIC WORKS.				
Railways—Working expenses	2,462,582	2,118,377	—	344,205
„ Construction account	107,428	—	—	107,428
Land Sales by Auction Fund	—	73,599	73,599	—
Water supply	71,855	38,500	—	33,355
Other public works	887,453	680,253	—	207,200
Total	3,529,318	2,910,729	—	618,589
Post and telegraphs	742,666	756,190	13,524	—
PUBLIC DEBT.				
Interest and expenses—Railways	1,279,195	1,354,216	75,021	—
„ „ Water supply	249,935	246,190	—	3,745
„ „ Other works	117,754	114,010	—	3,744
Total interest, &c.	1,646,884	1,714,416	67,532	—
Redemption of loans—expenses	2,125	12,284	10,159	—

Heads of Expenditure.	Amounts Expended. 1890-91.	Amounts Expended. 1891-92.	Increase.	Decrease.
TRADE, NAVIGATION, &c.	£	£	£	£
Customs and Excise	85,885	84,823	—	1,062
Harbours and lights	38,468	33,803	—	4,665
Total	124,353	118,626	—	5,727
OTHER EXPENDITURE.				
Mint subsidy	20,000	20,000	—	—
Aborigines	8,692	6,745	—	1,947
Miscellaneous services	102,614	55,555	—	47,059
Total	131,306	82,300	—	49,006
Total ordinary expenditure	9,128,699	8,482,917	—	645,782
Special expenditure (Melbourne Police Court Account).	44,217	20,139	—	24,078
Total expenditure—ordinary and special	9,172,916	8,503,056	—	669,860

Chief items of expenditure, 1890-91 and 1891-92, compared.

88. From this table it may be ascertained that a total increase in the ordinary expenditure, amounting to 224,196*l.*, took place under 11 heads, but a decrease of 869,978, under the other seventeen heads except one, (which remained stationary) resulting in a net decrease of nearly 646,000*l.* On the one hand the principal increases were 67,500*l.* in the interest on the public debt, owing to the increasing amounts borrowed for the construction of Railways; 22,400*l.* under the head of Legislature, consequent on the constitution of the Railways Standing Committee, the general election held in 1891–2, and the expenses of the *Purification of Rolls Act* 1891 (8,655*l.*); 17,500*l.* under Retiring allowances, gratuities, &c., resulting from the enforced retirement of sexagenarians; and of 11,000*l.* under Agriculture, chiefly on account of increased bonuses granted for agricultural products. On the other hand, there was an exceptionally large decrease of 344,000*l.* under Railways, of which, however, 114,00*l.* was in consequence of arrears to that extent being included in the previous year's accounts whilst the rest is due to the retrenchment and economy exercised; a decrease of 207,000*l.* under Public Works, of which 70,000*l.* resulted from a temporary reduction of the municipal subsidy, and the remainder from a smaller outlay on works and buildings generally; of 33,000*l.* under Water Supply, consequent on the expenses of the Melbourne Waterworks having been defrayed in 1891–92, for the first time, by the newly-constituted Melbourne and Metropolitan Board of Works; of 20,000*l.* under Judicial and legal; and 17,000*l.* under Civil Establishment, as a result of retrenchment. An accidental decrease of 70,500*l.* also appears

under State school buildings, works which have usually been constructed out of loan moneys. Although an increase of less than 3,000*l.* is noticeable under the head of Defences, a new item of 75,300*l.* (half being arrears on account of 1890–91) for Australian Naval Defences is included in 1891–92 for the first time; but as against this, there was a reduction of 58,000*l.* under Local Defence Works—none having been constructed in 1891–92; and 14,500*l.* in other items, of which nearly 9,000*l.* alone was saved by the usual annual encampment not having been held during that year. A falling-off of 107,000*l.* under Railway construction account is mainly owing to the proceeds of the sale of land by auction, which fell off by 26,000*l.* having been temporarily diverted therefrom to the "Land Sales by Auction Fund" under which head appears the whole of such proceeds for 1891–92.

Grants to agricultural, dairying, and other industries.

89. In order to promote the agricultural, dairying, fruit, and wine industries, there has been appropriated during the last three years an amount of 233,000*l.* of which 171,000*l.* was to be distributed as bonuses under Regulations framed by the Governor-in-Council. The expenditure to the end of 1891–92 on these objects amounted to 86,068*l.*, of which 44,500*l.* was paid away during that year, and there remained a balance unappropriated of 146,932*l.* The following are the particulars:—

Grants for promoting Agriculture and other Industries.

Heads of Expenditure.	Total Amount Authorised.	Amount Expended.		Balance available 1st July, 1892.
		During 1891-92.	Total to end of 1891-92.	
	£	£	£	£
Bonuses to growers of grapes, fruits, and general vegetable products -	55,000	5,689	5,876	49,124
Bonuses to factories for fruit canning and drying, dairying, raisin and currant making, vegetable oil making; preparing hemp, flax, silk, &c., for the manufacturer - - - - -	37,000	3,202	12,265	24,735
Bonuses for dairy produce, and fruits of best quality and in best order, exported to foreign markets	79,000	28,156	50,174	28,826
For the importation of new varieties of seeds and plants - -	3,000	67	243	2,757
For supplying instruction in connexion with the introduction of new vegetable products and the improvement of existing agricultural methods - - - -	43,000	5,251	13,528	29,472

Heads of Expenditure.	Total Amount Authorised.	Amount Expended.		Balance available 1st July, 1892.
		During 1891-92.	Total to end of 1891-92.	
For the introduction of new machinery and appliances to perfect the treatment of new agricultural products, and to improve present agricultural methods, and for prizes for new inventions in general agricultural appliances -	£ 4,000	£ 146	£ 501	£ 3,499
For publishing agricultural reports in connexion with the educational work of the experts, &c. -	11,000	1,988	3,481	7,519
For the encouragement of planting and cultivating forest trees of an economic character - -	1,000	—	—	1,000
Total - - -	233,000	44,499	86,068	146,932

Expenditure of loans, &c.

90. In addition to the ordinary expenditure from revenue, large sums are annually disbursed for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure prior to 1886–87 and during each subsequent year. This is intended to supplement the table of ordinary expenditure by exhibiting those items which having never been, or having ceased to be, a charge on the general revenue, are treated in separate accounts :—

Expenditure of Net Proceeds of Loans to 30th June 1892.

Purposes of Expenditure.	Amounts Expended.							
	Prior to 1886–87.	1886–87.	1887–88.	1888–89.	1889–90.	1890–91.	1891–92.	Total.
	£	£	£	£	£	£	£	£
Railways - -	22,171,492	1,711,160	1,774,721	3,083,211	2,933,087	2,786,562	613,157	35,073,390
Water supply :—								
Melbourne -	1,804,424	148,356	277,749	222,343	434,416	124,037	165,968	3,177,293
Country - -	2,644,085	225,638	184,813	261,725	361,855	503,520	272,529	4,454,165
Law courts and Parliament Houses -	448,987	32,770	44,954	37,563	25,270	229	—	589,773
Public offices -	162,280	—	—	—	—	—	—	162,280
Defences - -	98,299	—	—	—	—	—	—	98,299
State school buildings - - -	1,013,933	49,284	—	—	—	—	—	1,063,217
Yarra bridge -	28,050	42,561	25,391	12,524	—	—	—	108,526
Alfred graving dock	341,819	—	—	—	—	—	—	341,819
Harbour works, &c.	81,159	47,856	53,344	54,279	18,095	13,076	65	267,874
Total - -	28,794,528	2,257,625	2,360,972	3,671,645	3,772,723	3,427,424	1,051,719	45,336,636

Heads of expenditure of Australasian Colonies.

91. The following is a comparative statement of the amounts received, under various heads of revenue, in the respective Australasian Colonies during the most recent year for which the particulars are available. The figures have all been derived from official sources :—

Heads of Revenue in Australasian Colonies, 1891.

Heads of Revenue.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
	£	£	£	£	£	£	£
Taxation :—							
Customs, &c. -	2,388,961	2,168,264	1,201,685	617,590	237,686	376,130	1,552,780
Other taxes -	760,349	748,080	300,619	212,158	26,369	126,009	626,959
Total - -	3,149,310	2,916,344	1,502,304	829,748	264,055	502,139	2,179,739
Crown lands - -	519,584	2,266,636	514,352	258,996	101,980	84,145	335,428
Railways - -	3,098,252	3,407,963	1,000,082	1,285,276	63,001	168,046	1,114,055
Post and telegraphs	502,806	648,553	216,122	209,828	31,335	73,150	330,662
Other sources -	459,620	796,690	173,127	245,605	37,299	55,718	186,347
Total - -	7,729,572	10,036,186	3,405,987	2,829,453	497,670	883,198	4,146,231
Taxation :—							
Customs, &c. -	30·91	21·91	35·28	21·83	47·76	42·58	37·45
Other taxes -	9·83	7·45	8·83	7·50	5·30	14·27	15·12
Total - -	40·74	29·06	44·11	29·33	53·06	56·85	52·57
Crown lands -	6·72	22·58	15·10	9·15	20·49	9·53	8·09
Railways - - -	40·09	33·96	29·36	45·42	12·66	19·03	26·87
Post and telegraphs	6·50	6·46	6·35	7·42	6·30	8·28	7·98
Other sources -	5·95	7·94	5·08	8·68	7·49	6·31	4·49
Total - - -	100·00	100·00	100·00	100·00	100·00	100·00	100·00

NOTE.—The figures of revenue and expenditure for Victoria are for the 12 months ended 30th June, 1892, but those for the other colonies are for the calendar year 1891. Refunds of revenue drawbacks, and such similar entries, are rigidly excluded from the accounts of revenue and expenditure of Victoria and New Zealand, but are included in those of New South Wales and Queensland; also, it is believed, in those of some of the other colonies.

Proportion of revenue from different sources.

92. It will be observed that the proportion of revenue raised by taxation—chiefly derived from Customs duties—varied from about 29 per cent. in New South Wales and South Australia to 57 per cent. in Tasmania, the proportion in Victoria being 41 per cent., or lower than in any other colonies except the two former. The revenue from Railways also formed a very large proportion of the total revenue of all the colonies, varying from about an eighth in Western Australia to over two-fifths of the whole in Victoria and South Australia. The Crown lands revenue varied in the different colonies from 7 to 23 per cent. of the whole—the former proportion prevailing in Victoria and the latter in New South Waes; and that from Post and Telegraphs from $6\frac{1}{3}$ to $8\frac{1}{4}$ per cent.

Heads of revenue in Vitcoria and New South Wales compared.

93. It will be remarked that the land revenue was nearly four and a half times as large in New South Wales as in Victoria, which item alone nearly accounts for the larger total revenue of

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the former colony. If the land revenue be deducted from the total revenues of the two colonies, the revenue of New South Wales, notwithstanding the cross entries in the returns of the former already alluded to, would then exceeds the revenue of Victoria by only 560,000*l.*, the respective amounts for 1891 being 7,770,000*l.* and 7,210,000. It also appears that the railway revenue of New South Wales exceeds that of Victoria by about 300,000*l.*; in the former Colony it forms one-third, and in the latter two-fifths, of the total revenue. The total taxation of Victoria was greater than that of New South Wales by only 233,000*l.*, the excess appearing chiefly under the head of Customs. As to other heads, the revenue in New South Wales from Post and Telegraphs exceeded that in Victoria by 146,000*l.*, but in connexion with this it should be remembered that official correspondence and telegrams are charged for in the former, but travel free in the latter colony and that the revenue from "Other Sources" was larger by about 337,000*l.*

Loan expenditure in Australasian Colonies, 1891.

57. In addition to the expenditure of amounts derived from the general revenue, as shown in the last two tables, all the colonies spend large sums of borrowed money, chiefly on railways and waterworks, but, also, in some instances, on the construction of electric telegraphs, harbour works and lighthouses, defence works, roads and bridges, school buildings, and other public works, and on immigration. The following table shows the total loan expenditure of the various colonies during 1891, also the amounts per head:—

Expenditure from Loans in Australasian Colonies, 1891.

Colony.	Expenditure from Loans during year.	
	Total Amount.	Amount per Head.
	£	£ s. d.
Victoria	3,427,195	3 0 6
New South Wales	4,750,167	4 3 1
Queensland	1,296,259	3 4 1
South Australia	488,869	1 10 4
Western Australia	77,994	1 10 5
Total	10,040,484	3 5 8
Tasmania	561,661	3 15 5
New Zealand	346,324	0 11 0
Grand Total	10,948,469	2 17 1

Note.—In this table the figures for Victoria and South Australia relate to the year ended 30th June, 1891, those for the other colonies to that ended 31st December.

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Loan expenditure of different Colonies compared.

95. It will be observed that the aggregate loan expenditure of the Australasian Colonies in 1891 was close on 11 millions sterling, of which Victoria spent nearly 3½ millions, New South Wales 4¾ millions, Queensland about 1¼ millions, South Australia nearly ½ a million and Tasmania over ½ a million. It will be noticed, moreover, that the loan expenditure per head of population was less in Victoria not only than in New South Wales—where it was highest—but also than in Queensland or Tasmania, although above that in any of the other colonies.

Taxation.

96. The amounts whereof revenue is made up may be divided into two classes, viz., those raised by taxation and those raised otherwise. In Victoria the former class consists of Customs and Excise duties, wharfage rates, port and harbour dues, business licenses, duties on bank notes, duties on estates of deceased persons, a land tax, and stamp duties. The latter class comprises amounts derived from the sale or occupation of Crown lands, from railways, from water supply, from post and telegraph offices, from the Mint, from fees fines, and forfeitures, from the interest on the public account, from the labour of prisoners, &c. The following figures show the result of a division of the Victorian revenue upon this principle :—

Taxation, 1891–2.

	£
Revenue raised by taxation -	- 3,149,310
„ „ otherwise -	- 4,580,262
Total -	£7,729,572

Public debt.

97. The public debt of Victoria amounted on the 30th June 1892 to 46,711,287*l.*,* consisting of moneys —

	£
Borrowed in Victoria -	1,949,587
„ England - - -	- 44,761,700
Total -	- £46,711,287

Purposes for which loans were incurred.

98 The aggregate amount of the loans raised up to the 30th June 1892, was 58,154,907*l.*; but a total of 11,443,620*l.* having been repaid, viz., 2,379,200*l.* out of the general revenue, and 9,064,420*l.* out of the proceeds of redemption loans, the balance outstanding on the 30th June 1892 was reduced to 46,711,287*l.* The amount of public debt borrowed under each of the purposes for which the debt was incurred, the amount paid off, and the

* On the 30th June 1893 the public debt (exclusive of £750,000 Treasury Bills in aid of revenue) amounted to £47,144,562.

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amount outstanding on the 30th June 1892 are shown in the following table:—

Purposes for which Loans were Raised.

Public Borrowings contracted for—	Total Amount borrowed.	Amount— Paid off.	Outstanding 30th June 1892. Total.	Outstanding 30th June 1892. Percentage.
REVENUE YIELDING WORKS.	£	£	£	
Railways	36,793,806	344,200	36,449,606	78·02
Tramways in country districts	200,000	—	200,000	·43
Water supply and irrigation—				
Melbourne	3,149,939	800,000	2,349,939	5·03
Country	5,005,216	—	5,005,216	10·72
Harbours and docks	275,554	—	275,554	·59
Graving-dock	350,464	—	350,464	·75
Total revenue yielding	45,774,979	1,144,200	44,630,779	95·54
OTHER WORKS OF A PERMANENT CHARACTER.				
Parliament houses	246,453	—	246,453	·53
Law courts	354,260	—	354,260	·76
Public offices	166,195	—	166,195	·36
Defence works	100,000	—	100,000	·21
State school buildings	1,105,557	—	1,105,557	2·37
Prince's Bridge, Melbourne	108,043	—	108,043	·23
Melbourne and Geelong improvements.	735,000	735,000	—	—
Total permanent works	2,815,508	735,000	2,080,508	4·46
MISCELLANEOUS.				
Treasury bonds in aid of revenue.	500,000	500,000	—	—
Net borrowings	49,090,487	2,379,200	46,711,287	100·00
Redemption of loans	9,064,420	9,064,420	—	—
Gross borrowings	58,154,907	11,443,620	46,711,287	—

Borrowings devoted to revenue-producing works.

99. It will be observed that at the present time 95½ per cent. of the Victorian borrowings has been devoted to railways, waterworks, and other revenue-producing works, from which the State derives a considerable income. Only 4½ per cent. of the debt is not directly revenue-producing, and this has been expended on such useful and permanent works as bridges, defence works, State schools, public buildings, &c.

Debts of Australasian Colonies.

100. The following table shows the total amount of debt, and the indebtedness per head, in Victoria and the other Australasian Colonies, on the 31st December of every fifth year from 1875; also of the three years 1889, 1890, and 1891; also the number

of years' revenue the debt was equal to in each of those years:—

Public Debts of the Australasian Colonies.

Colony.	Year.	On the 31st December. Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.
		£	£ s. d.	
Victoria	1875	13,995,093	17 0 0	3·30
	1880	22,060,749	25 13 0	4·77
	1885	28,628,588	29 10 9	4·55
	1889	37,367,027	33 17 1	4·31
	1890	41,443,216	36 11 5	4·86
	1891	43,638,897	37 13 11	5·23
New South Wales	1875	11,470,637	19 6 0	2·78
	1880	14,903,919	19 18 6	3·04
	1885	35,564,259	37 9 1	4·69
	1889	46,646,449	43 2 4	5·15
	1890	48,425,333	43 3 4	5·11
	1891	48,771,549	41 17 1	4·86
Queensland	1875	6,435,250	35 1 0	4·72
	1880	12,192,150	53 18 7	7·56
	1885	19,320,850	61 4 10	6·80
	1889	25,840,950	67 18 2	7·51
	1890	28,105,684	71 17 4	8·62
	1891	29,457,134	71 15 9	8·65
South Australia	1875	3,320,600	15 15 7	2·90
	1880	9,865,500	36 17 5	4·86
	1885	17,020,900	54 6 2	7·37
	1889	20,435,500	64 13 4	9·00
	1890	21,151,500	66 5 6	8·27
	1891	21,133,300	64 17 5	7·47
Western Australia*	1875	135,000	5 1 1	·86
	1880	361,000	12 8 9	2·00
	1885	1,288,100	36 12 4	3·99
	1889	1,371,981	31 7 11	3·59
	1890	1,367,444	27 15 10	3·30
	1891	1,613,594	30 5 8	3·24
Tasmania	1875	1,489,400	14 7 4	4·35
	1880	1,943,700	16 18 9	4·42
	1885	3,357,000	25 19 5	5·88
	1889	5,019,050	35 6 0	7·39
	1890	6,432,800	44 5 6	8·48
	1891	6,990,940	45 16 2	7·92
New Zealand*	1875	17,400,031	46 5 11	6·18
	1880	28,583,231	58 19 0	8·71
	1885	35,790,422	62 4 5	8·74
	1889	38,483,250	62 9 4	9.64
	1890	38,832,350	62 1 8	9·23
	1891	38,713,068	61 1 1	9·34

* New Zealand has, as a set-off against the debt, an accrued sinking fund, which amounted on the 31st March 1892 to 1,035,449*l.* The net liability was thus 37,677,619*l.*, or 59*l.* 8*s.* 6*d.* per head, being equal to nine times the revenue. Western Australia also has a sinking fund of 114,292*l.* The sinking funds in the other colonies are of no great importance.

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Public debt of Australia and Australasia.

101. If the amounts of debt at the latest period shown in the table be added together, it will be found that the aggregate debt of the Colonies on the continent of Australia was 144½ millions, being over 4 millions more than in 1890; and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, somewhat exceeded 190¼ millions sterling, being 4½ millions more than in 1890. The following are the exact figures for 1891, also the proportion of indebtedness per head of the population, and the proportion the aggregate debt bore to the aggregate revenue of the Colonies within the same limits:—

Public Debt of Australia and Australasia, 1891.

	Public Debt.		
	Total Amount.	Amount per Head.	Multiple of Revenue.
	£	£ s. d.	Per cent.
Continent of Australia - - - -	144,614,474	46 9 3	5·76
Ditto with Tasmania and New Zealand - - - - -	190,318,482	48 16 3	6·31

Debt per head higher in Australasia than in Australia.

102. It will be observed that a combination of the indebtedness of the insular colonies with that of the colonies upon the Australian Continent gives a proportion of debt per head higher by about 2*l.* 7*s.*, than such a proportion applied to the continental colonies alone, in explanation of which it will be remembered that, although, in proportion to population, Tasmanian indebtedness is somewhat below the average, New Zealand is the third most heavily indebted colony of the group.

Increase of debt in Australasia in 16 years.

103. During the year 1891 the public debt of Australasia, taken as a whole, increased by 4½ millions, or 2½ per cent., but the amount per head of population decreased by 5*s.* 3*d.* During the 16 years ended with 1891, the public debt increased by one hundred and thirty-six millions—or nearly fourfold—whilst the proportion per head more than doubled. The debt also increased in a much greater ratio than the public revenue, for whereas in 1875 it was equal to the income of the colonies for less than four years, and in 1880 to about five and a quarter years, in 1890 and

1891 it was equal to their income for over six and a quarter years This is shown by the following figures:—

Increase of Public Debt of Australasia, 1875 *to* 1891.

Year.	Debt of Australia, Tasmania, and New Zealand.		
	Total Amount.	Amount per Head*.	Multiple of Revenue.
	£	£ s. d.	
1875	54,246,011	23 6 0	3·85
1880	89,910,249	33 0 8	5·27
1885	140,970,119	42 17 8	5·87
1890	175,164,207	47 10 11	6·15
1891	185,758,327	49 1 6	6·36
	190,318,482	48 16 3	6·31
Increase, 1875–91	136,072,471	25 10 3	2·46
„ in 1891	4,560,155	–0 5 3†	–·05†

104. The marriages celebrated in 1892 numbered 7,723, as against 8,780 in 1891, 9,187 in 1890, and 9,194 in 1889. Marriages, 1892.

105. The marriages returned in 1892, although fewer than in the six previous years, were more numerous than those in any year prior to those. The number returned annually had been almost stationary during the seven years prior to 1880, but in that year an advance was made which continued until 1890. In 1882, for the first time, the marriages returned exceeded 6,000; in 1884 they exceeded 7,000; in 1888 they nearly reached 9,000; and in 1889 and 1890 they exceeded that number by nearly 200; but in 1891 they again fell below 9,000, and in 1892 they fell below 8,000. Marriages, 1892, and former years

106. The proportion which the number of marriages bears to the total population is generally called the marriage rate. This for many years was declining in Victoria, for, whilst in the three years prior to 1863 it was above 8 per 1,000 of both sexes, and all ages, from 1863 to 1865 it was between 7 and 8, and from 1866 to 1878 it was between 6 and 7 per 1,000. It reached its lowest point, 5·98 per 1,000, in 1879; then gradually revived, until the period between 1888 and 1890, when it again exceeded 8 per 1,000, for the first time since 1862. In 1891 a somewhat sudden fall took place to 7·66 per 1,000, which was about the same average as that prevailing during the four years prior to 1888, and in 1892 a still further fall to 6·64. The following table gives the number of marriages and number of persons married per 1,000 of the Marriage rate

* In 1875 the population was 2,327,882; in 1880, 2,721,747; in 1885, 3,287,363; in 1889, 3,684,016; in 1890, 3,785,349; and in 1891, 3,899,036.

† Decrease.

population during 1860 and each subsequent fifth year, also in 1891 and 1892:—

Annual Marriage Rate, 1860 to 1892.

Year.	Per 1,000 of the Mean Population.	
	Number of Marriages.	Numbers of Persons Married.
1860	8·15	16·30
1865	7·36	14·72
1870	6·63	13·26
1875	6·33	12·66
1880	6·22	12·44
1885	7·73	15·47
1890	8·21	16·42
1891	7·66	15·32
1892	6·64	13·28
Mean of 33 years	7·15	14·30

Marriage rates in Australasian Colonies.

107. The following table gives a statement of the number of marriages to every 1,000 of the population of the various Australasian Colonies for each fifth year from 1865 to 1890, also for 1891 and 1892, except Western Australia, for which colony the first year given is 1875:—

Marriage Rates in Australasian Colonies, 1865 to 1892.

Year.	Number of Marriages per 1,000 of Mean Population.						
	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
1865	7·36	8·94	13·27	9·45	—	6·27	10·47
1870	6·63	7·85	7·80	6·90	—	6·62	7·62
1875	6·33	7·88	8·63	8·01	7·26	6·63	8·94
1880	6·22	7·68	6·97	8·69	7·42	7·38	6·71
1885	7·73	8·22	9·20	7·82	7·51	8·22	6·73
1890	8·21	7·15	8·28	7·04	6·18	6·64	6·12
1891	7·66	7·39	7·22	7·29	8·06	6·63	6·05
1892	6·64	6·77	6·67	6·50	7·36	6·51	6·23
Mean of 28 years	7·01	7·90	8·53	7·76	7·03	7·01	7·50

Marriage rates in colonies compared.

108. According to an average extending over a period of 28 years, the marriage rate in Victoria was identical with that in Tasmania, also almost identical with that in Western Australia but was below that in any of the other colonies; in the last year, however, the marriage rate in Victoria occupied a middle position, it being higher than that in South Australia, Tasmania, and New Zealand, but lower than that in the other three colonies.

109. The number of divorces which took place in each Australasian colony during 1890 and their proportions to the married persons of either sex returned at the census were as follow :— Divorces in Australasian Colonies.

Divorces in Australasian Colonies, 1890.

Colony.	Number of Divorces.	Divorces per 100,000 Husbands.	Divorces per 100,000 Wives.
1. Western Australia - -	3	41·4	47·0
2. New South Wales - -	42	25·2	25·3
3. Victoria - - - -	40	23·4	23·0
4. New Zealand - - -	21	23·2	23·1
5. Queensland - - -	8	13·8	13·9
6. Tasmania - - -	2	8·5	9·3
7. South Australia - - -	2	4·1	4·1

110. If the divorces be compared with the number of marriages, the positions of the colonies remained unaltered, except that New Zealand rises above New South Wales and Victoria, and occupies the second position on the list instead of the fourth, thus :— Marriages to each divorce in Australasian Colonies.

Marriages to each Divorce in each Australasian Colony, 1890.

——	Marriages to each Divorce.
1. Western Australia - -	93
2. New Zealand - - -	181
3. New South Wales - -	187
4. Victoria - - - -	230
5. Queensland - - - -	399
6. Tasmania - - -	477
7. South Australia - - -	1,117

111. The births registered in Victoria during 1892 numbered 37,831, as against 38,505 in 1891. The decrease in the year under review, as compared with the previous one, was thus 674. Births, 1892.

112. During the 20 years ended with 1883, the number of births in Victoria had remained almost stationary; but in 1884 a marked increase took place, which continued during the seven subsequent years, the number of births in 1891 being the highest recorded. There was, however, a falling-off in 1892, as just stated. Births in 1892 and former years.

113. In proportion to population, the births decreased steadily for a number of years. The lowest point was reached in 1882, since which year there was a gradual improvement until 1890, but in 1891 there was a slight falling-off, and a still further Birth rate.

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falling-off in 1892. The following are the birth rates for 1860 and each subsequent fifth year, also in 1891 and 1892 :—

Annual Birth Rate, 1860 *to* 1892.

—	Births per 1,000 of Mean Population.
1860	42·81
1865	42·40
1870	38·07
1875	33·94
1880	30·75
1885	31·33
1890	33·60
1891	33·57
1892	32·54
Mean of 33 years	35·73

Birth rates in Australasian Colonies.

114. Returns of the births in all the Australasian Colonies are available to the end of 1892, and from these and the mean populations of the respective colonies during each year the birth rates have been calculated in the office of the Government Statist, Melbourne. The following table gives the birth rates of the different colonies for 1865 and each subsequent fifth year until 1890, also for 1891 and 1892 :—

Birth Rates in Australasian Colonies, 1865 *to* 1892.

Year.	Number of Births per 1,000 of Mean Populations.						
	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
1865	42·40	43·21	43·65	43·90	—	32·56	41·12
1870	38·07	40·09	43·51	38·48	—	30·18	42·32
1875	33·94	38·53	38·90	35·70	28·72	29·88	40·23
1880	30·75	38·80	36·92	38·94	32·35	32·91	40·78
1885	31·33	37·79	37·80	38·47	35·22	36·18	34·78
1890	33·60	35·36	39·93	32·63	34·69	33·49	29·44
1891	33·57	34·50	36·35	33·92	34·85	33·37	29·01
1892	32·54	33·90	35·84	32·32	33·01	32·48	27·83
Mean of 28 years.	34·36	38·38	39·41	37·54	34·35	32·16	37·64

Low birth rates in Australasian Colonies in 1892.

115. In 1892 the birth rate was below the average in all the colonies except Tasmania. In New South Wales, South Australia and New Zealand the rate was absolutely the lowest recorded during the whole period of 28 years, that for the last named colony (28 per 1,000), moreover, being the lowest recorded in any Australasian Colony since 1864. In Victoria the rate was lower than in the previous four years, but higher than in any other year since 1876. In Western Australia it was lower than in any other year since 1880, and in Tasmania than in any other since 1879.

Deaths, 1892.

116. The deaths registered in 1892 numbered 15,851, as against 18,631 in 1891. There was thus a decrease in the year under notice of 2,780, or 15 per cent.

Excess of births over deaths.

117. The births in 1892 exceeded the deaths by 21,980 or 139 per cent., the corresponding proportion being 107 per cent. in the previous year. The proportion in 1892 was exceeded in 1865, and the six years ended with 1873, but in no other year. In the 10 years ended with 1890 the proportion averaged 107 per cent., and in the 10 years ended with 1880 it averaged 119 per cent., whilst during the 28 years ended with 1892 the average was 118 per cent. The following were the births and deaths in 1865 and in each subsequent fifth year, also in 1891 and 1892, and the excess of the former over the latter :—

Excess of Births over Deaths, 1865 to 1892.

Year.	Births.	Deaths.	Excess of Births over Deaths.	
			Numerical.	Centesimal.
				Per Cent.
1865	25,915	10,461	15,454	148
1870	27,151	10,420	16,731	161
1875	26,720	15,287	11,433	75
1880	26,148	11,652	14,495	124
1885	29,975	14,364	15,611	109
1890	37,578	18,012	19,666	109
1891	38,505	18,631	19,874	107
1892	37,831	15,851	21,980	139
Total in 28 years	814,578	374,108	440,470	118

Years in which births doubled deaths.

118. It may be remarked that the births more than doubled the deaths in all the years except 1875, 1876, 1882, and 1889.

Annual death rate.

119. The folowing table shows the estimated mean population of either sex, the number of deaths of either sex, and the death rate

of males and females, and of both sexes, during 1860 and each subsequent fifth year, also in 1891 and 1892:—

Annual Death Rate, 1860 *to* 1892.

Year.	Estimated Mean Population.		Number of Deaths.		Deaths per 1,000 of the Mean Population.		
	Males.	Females.	Males.	Females.	Males.	Females.	Total
1860 -	331,979	202,475	7,134	4,927	21·49	24·33	21·49
1865 -	347,083	264,135	6,158	4,803	17·74	16·29	17·11
1870 -	392,159	321,036	6,114	4,306	15·59	13·41	14·61
1875 -	419,779	367,558	8,563	6,724	20·40	18·29	19·42
1880 -	446,445	403,898	6,610	5,042	14·81	12·48	13·70
1885 -	504,000	452,880	8,300	6,064	16·47	13·39	15·01
1890 -	589,310	529,190	10,369	7,643	17·60	14·44	16·10
1891 -	600,860	546,070	10,666	7,965	17·75	14·59	16·24
1892 -	606,990	555,720	9,098	6,753	14·99	12·15	13·63
Average of 33 years					16·82	14·47	15·74

NOTE.—In 1860 and 1875, especially in the former year, the death rate was swelled by epidemics of measles and scarlatina.

Male and female death rate compared.

120. It will be noticed that in all the years shown, except 1860, death bore more hardly upon males than upon females. The figures in the lowest line of the table show that, over a period of thirty-three years, the deaths of males per 1,000 of the same sex living exceeded by 2⅓ the deaths of females per 1,000 of that sex living.

Death rates in Australasian Colonies.

121. The proportion which the deaths that occurred in each Australian Colony bore to the total population of that colony during 1865 and each subsequent fifth year, also in 1891 and 1892, will be found in the following table:—

Death Rates in Australasian Colonies, 1865 to 1892.

Year.	Number of Deaths per 1,000 of Mean Populations.						
	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
1865 -	16·97	16·49	21·42	14·30	—	13·40	15·13
1870 -	14·61	13·38	14·59	13·94	—	13·88	11·13
1875 -	19·42	18·42	23·80	19·45	17.88	20·00	15·92
1880 -	13·70	15·47	13·59	14·85	13·24	16·12	11·46
1885 -	15·21	16·48	20·19	12·73	17·61	15·89	10·74
1890 -	16·10	12·90	14·61	12·40	12·00	14·74	9·66
1891 -	16·24	14·24	12·77	13·26	16·96	15·30	10·35
1892 -	13·63	12·20	12·65	11·38	16·63	13·53	10·06
Mean of 28 years	15·62	15·24	17·30	14·35	16·10	15·29	11·52

Sickness and infirmity.

122. The total number of persons returned as suffering from infirmity at the date of the census of 1891 was 23,916, viz., 14,675 males and 9,241 females. These numbers furnish proportions of 210 infirm persons in every 10,000 of the population; or of 245 infirm males in every 10,000 males, and 171 infirm females in every 10,000 females.

Two classes of infirmities.

123. The infirmities are of two classes:—(1.) Thos ecausing total disablement for the time being, but from which it is probable complete recovery might take place sooner or later; (2) those of a permanent character, but which would not generally prevent the sufferer from engaging in some kind of bread-winning occupation. Besides these, some persons were returned as suffering from ailments of a minor description, which in a few instances have been considered of sufficient importance to be mentioned in the tables, whilst in others they have been entirly disregarded.

Sickness and accidents.

124. The persons included in the first of these classes are those returned as unable to attend to their ordinary occupations by reason of sickness or accident. These numbered as follow:—

——	Males.	Females.	Total.
Disabled from sickness - -	7,590	5,334	12,924
Disabled from accident - -	1,379	289	1,668
Total - -	8,969	5,623	14,592

Proportion of disabled persons.

125. The sick were in the proportion of 113, and those laid up in consequence of accidents were in that of 15, to every 10,000 of the population. The two combined, representing those entirely disabled for the time being, but not, as a rule, permanently affected, were thus in the proportion of 128 to every 10,000 living, or 1 in 78. A similar combination gives a proportion of 150 disabled males in every 10,000 males living, or 1 in 67; of 104 disabled females in every 10,000 females living, or 1 in 96.

Time lost through disablement.

126. It will be easily realised that the community sustains considerable loss, as well as inconvenience, in consequence of some portion of its component parts being always laid up on account of illness or bodily injury. Of those so affected, the children are obliged to discontinue their studies, the men their work or business, and the women their household duties as long as the disablement lasts. Takingt he sick and those suffering from accidents together, there were on the census day 14,592 persons, viz., 8,969 males and 5,623 females, in a disabled condition. Supposing the census day to have been an average one as regards the amount of infirmity prevailing, there would obviously in one year be an amount of work lost from this cause equal to that of 1 person for 14,592 years, or of 1 male for 8,969 years, and of 1 female for 5,623 years. Or putting it in other words, there would, if Sundays

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be included, be 5,326,080 days' work lost on account of illness in the year, viz., 3,273,685 by males, and 2,052,395 by females or, if Sundays be not included, there would be 4,567,296 days' work lost, viz., 2,807,297 by males and 1,759,999 by females. This is altogether irrespective of the loss occasioned by illnesses of a slight or partial character, not serious enough to cause work to be altogether discontinued, which, according to instructions, were not to be returned, or of the loss to others occasioned by attendance on sick persons, or by reason of deaf-muteism, blindness, lunacy, &c. A consideration of these figures will show that, irrespective of the distress, destitution, and mental suffering occurring amongst families by reason of the deaths of their members, the outbreak of every epidemic disease which visits a country must seriously affect its material wealth and prosperity, and therefore that, on economic as well as on moral grounds, those who promote and enforce sanitary laws and regulations are deserving of high commendation and support.

Average period of disablement.

127. According to the figures, the average number of days' disabling infirmity in the course of one year experienced by each person in the community is 4·67, or 5·47 days by each male and 3·79 days by each female. If working days only be considered, each person on the average loses by this 4 such days, each male losing 4·69 and each female 3·25 such days.

Sickness and accidents in Australasian Colonies.

128. All the Australasian colonies took advantage of the taking of the census to obtain returns of sickness and accidents. According to the following figures, the proportion of those disabled from these causes was higher in Victoria than in any other colony :—

Sickness and Accidents in Australasian Colonies, 1891.

Colony.	Persons Disabled from Sickness or Accidents.	
	Number.	Persons living to each Disabled Person.
1. Victoria - -	14,592	78
2. South Australia - -	3,938	81
3. New South Wales -	11,578	98
4. Queensland - -	3,746	105
5. Tasmania - -	1,321	111
6. New Zealand - -	5,076	123
7. Western Australia -	304	164
Total - -	40,555	94

Defective returns in some colonies.

129. With reference to the high position of Victoria relatively to several of the other colonies in regard, not only to sickness, but to most of the other infirmities respecting which information

was obtained, it may be remarked that whilst Victoria has made inquiries on these subjects at the last four censuses, some of the other colonies of the group made such inquiries for the first time in 1891. For obvious reasons, a new inquiry is not likely to be so fully or so correctly responded to as one to which both the census collectors and the public have become accustomed, and a first attempt is likely to result in defective information and partial failure, as did the first attempt made in Victoria to obtain particulars of sickness and infirmity 30 years prior to the census which forms the subject of this report, viz., in 1861. It will be readily understood, in regard to such a return as that under notice, that the more accurate and perfect the statistics, the worse position the country to which they relate appears to be in, and the more unfavourably will it seem to compare with other countries in which the returns are of a less complete character.

The partially disabled.

130. The second class of infirmities embraces defects or injuries which are generally permanent, but which often do not disable the sufferers from following some description of labour, and do not always prevent them from earning their own livelihood. These, with the number of persons affected, were as follows:—

	Males.	Females.	Total.
Sufferers from paralysis - -	650	447	1,097
„ „ epilepsy - - -	203	217	420
„ „ deaf-muteism - -	204	160	364
„ „ blindness - -	612	383	995
„ „ eye affections - -	94	90	184
„ „ lunacy - - -	2,077	1,693	3,770
„ „ idiotcy - - -	214	141	355
„ „ lameness, mutilation, deformity, &c. - -	1,652	487	2,139
Total - -	5,706	3,618	9,324

Deaf-muteism.

131. The deaf and dumb were in the proportion of 3·19 per 10,000 persons living; of 3·41 deaf and dumb males per 1,000 males, and of 2·95 deaf and dumb females per 10,000 females. These proportions, stated in other words, are 1 deaf-mute in 3,133 of the total population, or 1 in 2,933 of the males and 1 in 3,387 of the females.

Deaf-muteism in Australasian Colonies.

132. In proportion to population, deaf-mutes appear to have been most common in South Australia, and more common than in

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Victoria not only in that colony but in Queensland, Tasmania, and New South Wales. The following are the proportions :—

Deaf-muteism in Australasian Colonies, 1891.

1. South Australia	had	1	deaf-mute in every	1,369	persons.
2. Queensland	„	1	„ „	2,557	„
3. Tasmania	„	1	„ „	2,716	„
4. New South Wales	„	1	„ „	2,867	„
5. Victoria	„	1	„ „	3,133	„
6. New Zealand	„	1	„ „	3,775	„
7. Western Australia	„	1	„ „	4,526	„

Blindness.

133. Blind persons in Victoria were in the proportion of 8·72 per 10,000 persons living; blind males in that of 10·23 to every 10,000 males, blind females in that of 7·07 to every 10,000 females. There was thus one blind person in every 1,146 of mixed sexes, or one blind male in every 978 males and one blind female in every 1,415 females.

Blindness in Australasian Colonies.

134. The colony which, according to the following figures, contained the largest proportion of blind persons was Tasmania, Western Australia standing second and Victoria third. In New Zealand the proportion of blind persons to the total population appears to be very low indeed :—

Blindness in Australasian Colonies 1891.

1. Tasmania	had	1	blind person in every	889	persons.
2. Western Australia	„	1	„ „	922	„
3. Victoria	„	1	„ „	1,146	„
4. South Australia	„	1	„ „	1,297	„
5. New South Wales	„	1	„ „	1,517	„
6. Queensland	„	1	„ „	1,978	„
7. New Zealand	„	1	„ „	2,287	„

Lunacy.

135. The lunatics returned at the census numbered 3,770, viz., 2,077 males and 1,693 females. All of these except 100, viz., 78 males and 22 females, were detained in the Government lunatic asylums. Lunatics were in the proportion of 33·06 per 10,000 of the population, viz., 34·71 male lunatics per 10,000 males living and 31·24 female lunatics per 10,000 females living. Thus one person in every 302, or one male in every 288, and one female in every 320, was a lunatic.

Lunacy in Australasian Colonies.

136. The census gave a return of the number of lunatics in all the Australasian Colonies except Queensland. The proportion to the population appears to have been highest in Victoria and next

highest in New Zealand, whilst the proportions were lowest in Western Australia and Tasmania :— VICTORIA. 1892.

Lunacy in Australasian Colonies, 1891.

1. Victoria	had 1 lunatic in every	302	persons
2. New Zealand	„	„	349	„
3. New South Wales	„	„	359	„
4. South Australia	„	„	376	„
5. Tasmania	„	„	383	„
6. Western Australia	„	„	386	„

137. The persons returned as idiots and imbeciles in Victoria numbered 355, viz., 214 males and 141 females. Of these, 98, viz., 66 males and 32 females, were in the Kew Idiot Asylum. Idiots and imbeciles were in the proportion of 3·11 per 10,000 of the population; 3·58 such males per 10,000 males, 2·60 such females per 10,000 females. These proportions may be otherwise stated as one idiot or imbecile person in every 3,212 persons, one such male in every 2,796 males, one such female in every 3,844 females. Idiots.

138. Idiots and imbeciles, like lunatics, were returned in all the Australasian Colonies except Queensland. They seem to have borne the highest proportion to the population in Tasmania, and next in Victoria, the proportions in New Zealand and Western Australia, especially the latter, being very low indeed. The following are the proportions in each of the colonies in which the return was obtained :— Idiotcy and imbecility in Australasian Colonies.

Idiotcy and Imbecility in the Australasian Colonies, 1891.

1. Tasmania	had 1 idiot or imbecile person in every	3,188	persons
2. Victoria	„	„	„	3,212	„
3. South Australia	„	„	„	3,815	„
4. New South Wales	„	„	„	3,930	„
5. New Zealand	„	„	„	4,896	„
6. Western Australia	„	„	„	7,112	„

139. Lunacy combined with idiotcy and imbecility may be designated insanity. If the combination be made the sufferers in Victoria would number 4,125, viz., 2,291 males and 1,834 females, the proportions being 36·17 insane persons per 10,000 of both sexes, or one in 276; 38·29 insane males per 10,000 males, or one in 261; 33·84 insane females per 10,000 females, or one in 296. Insanity.

140. The idiots and imbeciles being but few in number, as compared with the lunatics, the different colonies stand in the same order in reference to the combination of the two as they do in reference to the lunatics when dealt with singly, except in the Insanity in Australasian Colonies.

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case of South Australia and Tasmania, which change places. The following are the figures :—

Insanity in the Australasian Colonies, 1891.

1. Victoria	had 1 lunatic or idiot in every			276	persons
2. New Zealand	„	„	„	325	„
3. New South Wales	„	„	„	329	„
4. Tasmania	„	„	„	341	„
5. South Australia	„	„	„	342	„
6. Western Australia	„	„	„	366	„

Lameness, mutilation, deformity, &c.

141. The census under review was the first at which an inquiry was made as to the number of crippled, mutilated, or deformed persons in Victoria. Some particulars respecting such persons were voluntarily given in 1871 and 1881, but, as may be supposed, the numbers set down on these occasions fell very short of those actually existing. The following is the return obtained in 1891 :—

Lameness, Mutilation, Deformity, &c.

Nature of Affliction.	Males.	Females.	Total.
Lost an arm	6	12	98
„ both arms	2	—	2
„ „ and one leg	1	1	2
„ use of an arm	3	4	7
„ „ and both feet	1	—	1
„ a hand	61	4	65
„ use of a hand	2	1	3
„ a leg	146	25	171
„ „ and two fingers	1	—	1
„ use of a leg	9	2	11
„ a foot	43	5	48
„ limbs	183	37	220
„ use of limbs	1	3	4
„ an eye	887	256	1,143
„ „ and deaf	2	—	2
„ „ deaf, and a cripple	1	—	1
„ „ and fingers	6	—	6
„ „ and injury to leg	2	—	2
„ „ and lame	1	—	1
„ „ and nearly blind	1	—	1
„ „ and rheumatic	1	—	1
Lame	117	83	200
„ and deaf	—	1	1
„ and nearly blind	—	1	1
Injured knee	3	2	5
Bad leg	1	1	2
Cripple	61	34	95
„ and infirm	—	1	1
Contracted sinews	1	—	1
Deformed back	4	—	4
„ foot	5	1	6
„ hip	1	—	1
„ leg	1	—	1
„ eyes	1	—	1
„ undefined	14	8	22

Nature of Affliction.	Males.	Females.	Total.
Born with only one arm -	—	1	1
„ „ hand - -	1	1	2
Cleft palate - - -	—	1	1
Curvature of spine - -	2	2	4
Total - - -	1,652	487	2,139

Proportions of injured and deformed persons.

142. The total number of injured and deformed persons, as given in the table, was in the proportion of 18·76 to every 10,000 of the population, or one in 533; the proportion of males so afflicted was 27·61 per 10,000 males living, or one in 362; and the proportion of females so afflicted was 8·99 per 10,000 females living, or one in 1,113.

Minor injuries.

143. Besides the maimed and deformed persons to whom reference is made in the table, a number were returned who had received minor injuries or who were only slightly deformed. Amongst these, who were not considered sufficiently important to be tabulated, there were 115 males and 17 females who had lost fingers, and 12 males who had lost toes.

Lameness, mutilation, &c. in Australasian Colonies.

144. For the first time, in pursuance of a suggestion made by the Government Statist of Victoria in his Report upon the Census of 1881, all the Australasian Colonies except Queensland obtained returns of lameness, mutilation, and deformity in 1891. Comparing the numbers in the different colonies with their respective populations, Victoria, according to the following figures, occupied the lowest position but one, the highest place being occupied by Tasmania, and the lowest by New Zealand:—

Lameness, Mutilation, and Deformity in Australasian Colonies, 1891.

1. Tasmania had one crippled, mutilated, or deformed person in every 104 persons.
2. Western Australia had one crippled, mutilated, or deformed person in every 178 persons.
3. New South Wales had one crippled, mutilated, or deformed person in every 312 persons.
4. South Australia had one crippled, mutilated, or deformed person in every 413 persons.
5. Victoria had one crippled, mutilated, or deformed person in every 533 persons.
6. New Zealand had one crippled, mutilated, or deformed person in every 640 persons.

Number of banks.

145. During 1892 there were 13 banks of issue in Victoria, possessing therein 512 branches or agencies. There were only 12 banks of issue in the Colony both in 1887 and 1882

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Liabilities, assets, &c. of banks.

146. The position of the banks as regards the liabilities and assets in Victoria, and the capital and profits of those banks not only in Victoria but elsewhere, according to the sworn returns for the last quarter of the three years just named, was as follows :—

Financial Position of Banks, 1882, 1887, *and* 1892.

	1882.	1887.	1892.
LIABILITIES.	£	£	£
Notes in circulation	1,448,953	1,461,068	1,210,565
Bills in circulation	121,206	67,899	132,235
Balances due to other banks	301,053	448,435	170,191
Deposits not bearing interest	6,826,822	9,241,018	9,672,997
„ bearing interest	16,798,271	25,974,529	30,355,173
Total	25,496,305	37,192,949	41,541,161
ASSETS.			
Coined gold, silver, and other metals	2,860,645	6,512,573	7,805,397
Gold and silver in bullion or bars	341,088	326,146	373,890
Landed and other property	959,301	1,388,617	1,962,707
Notes and bills of other banks	144,650	178,933	131,786
Balances due from other banks	380,475	292,994	264,935
Debts due to the banks	26,562,427	38,034,062	52,631,227
Total	31,248,586	46,733,325	63,169,942
CAPITAL AND PROFITS.			
Capital stock paid up	9,432,250	10,109,742	11,556,250
Average rate per annum of last dividend declared.	10·221 per cent.	12·094 per cent.	11·149 per cent.
Amount of last dividend declared	482,050	611 371	644,250
Amount of reserved profits after declaring dividend.	2,913,070	5,187,750	6,131,579

Liabilities, assets, &c., compared at three periods.

147. It will be observed that the shareholders' capital (including reserves) amounted in 1892 to nearly 17¾ millions, having increased by 5,343,000*l.*, or by nearly three-sevenths, since 1882. The total liabilities showed an increase of 16 millions, or 63 per cent., since 1882, or of more than 4⅓ millions, or 12 per cent., since 1887; whilst the total assets increased by 32 millions, or 102 per cent., since 1882, and by 16½ millions, or 35 per cent., since 1887. This expansion in banking business has been greater than that of the population, which, during the 10 years ended with 1892 increased by only 27 per cent. Of the liabilities the notes and bills in circulation have fallen off by 15 per cent. since 1882, and 12 per cent. since 1887, the former having been

restricted by a Government tax and other charges, which are said to average as much as 3½ per cent. The deposits, which amounted to 96 per cent. of the total liabilities, have increased by nearly 16½ millions in the last 10, and by more than 4¾ millions in the last 5, years, and amounted to over 40 millions. Under the head of assets it will be noticed that in 1892 the banks had 8⅙ millions sterling in coin and bullion, which was over one million more than in 1891, about one million more than in 1890, over 1⅓ millions more than in 1887, and about 5 millions more than in 1882; the landed property also represented close on 2 millions sterling, showing an increase of over 574,000*l.* since 1887, or of 1,003,000*l.* since 1882; but the most important item of all, the advances (debts due to the banks), which embrace 83 per cent. of the total assets, shows a marked advance from period to period, for since 1882 they have increased by nearly 26 millions, and since 1887 by more than 14½ millions, and in 1892 they amounted to over 52½ millions sterling. It will be observed that in 1892 the advances exceeded the deposits by more than 12½ millions, as against an excess of less than 3 millions in 1887 or 1882. The average rate of the last dividend declared in 1892 (11*l.* 3*s.* per 100*l.*) was lower than at the middle period, but higher than at the first period. This dividend, it may be remarked, varied in different banks in 1892 from 5 to 17½ per cent.

Percentage of items of liabilities and assets.

148. The following table shows the proportion of each item of the liabilities to the total liabilities, and of each item of the assets to the total assets, of the banks at the same periods:—

Liabilities and Assets of Banks.—Percentage of Items.

—	1882.	1887.	1892.
LIABILITIES.	Per cent.	Per cent.	Per cent.
Notes in circulation	5·63	3·93	2·91
Bills in circulation	·48	·18	·32
Balance due to other banks	1·18	1·20	·41
Deposits not bearing interest	26·78	24·85	23·29
„ bearing interest	65·88	69·84	73·07
Total	100·00	100·00	100·00
ASSETS.			
Coined gold, silver, and other metals	9·16	13·94	12·35
Gold and silver in bullion or bars	1·09	·69	·59
Landed and other property	3·07	2·97	3·11
Notes and bills of other banks	·46	·38	·21
Balance due from other banks	1·22	·63	·42
Debts due to the banks	85·00	81·39	83·32
Total	100·00	100·00	100·00

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149. The folllowing results are arrived at by analysing the bank returns at the three periods :—

Analysis of bank returns.

The liabilities amounted to	81·59	per cent. of the assets in	1882
	79·59	„ „	1887
	65·76	„ „	1892
Coin and bullion formed	10·25	per cent. of the assets in	1882
	14·63	„ „	1887
	12·94	„ „	1892
Of the moneys deposited	71·10	per cent. bore interest in	1882
	73·76	„ „	1887
	75·83	„ „	1892

Former periods and 1892 compared.

150. It will be observed that in 1892 the liabilities bore a very much lower proportion to the assets than in 1887 or 1882; that coin and bullion bore a decidedly larger proportion to the assets than in 1882, but a smaller proportion than in 1887; and that of the moneys deposited a somewhat larger proportion bore interest at the last period than in 1887 or 1882.

Imports and exports of Australasia, 1892.

151. The following is a statement of the value of the imports and exports in the Australasian Colonies during the year 1892:—

Imports and Exports of Australasian Colonies, 1892.

Colony.	Total Value of—		Excess of—	
	Imports.	Exports.	Imports over Exports.	Exports over Imports.
	£	£	£	£
Victoria	17,159,613	14,214,546	2,945,067	—
New South Wales	20,475,848	21,920,037	—	1,444,189
Queensland	4,248,441	8,578,071	—	4,329,630
South Australia	7,395,178	7,819,539	—	424,361
Western Australia	1,391,109	882,148	508,961	—
Total	50,670,189	53,414,341	—	2,744,152*
Tasmania	1,497,171	1,346,965	150,206	—
New Zealand	6,942,016	9,536,899	—	2,594,883
Grand Total	59,109,376	64,298,205	—	5,188,829*

* Net figures.

152. A statement of the extent of land under, and produce of the principal crops grown in Victoria in the season 1892–3, is subjoined :

Agriculture.

Agriculture in Victoria, 1892–3.

Wheat - -	1,342,504 acres,	14,814,645	bushels.
Oats - -	177,645 „	4,574,816	„
Barley - -	37,533 „	774,207	„
Potatoes -	40,594 „	142,623	tons.
Hay - -	512,648 „	740,049	„
Green forage -	249,719 „	—	
Other crops -	609,472 „	—	
Total -	2,970,115	—	

Wages.

153. The following table contains a statement of the average rate of wages paid in respect to engagements made in Melbourne in 1892. It has been compiled from statements obtained from the best authorities, and is believed to be fairly representative of a state of affairs which must always be subject to some fluctuations. Throughout Victoria the recognised working day for artisans and general labourers is eight hours :—

*Wages in Melbourne.**

RETURN of the Rates of Wages paid in Melbourne during the Year 1892.

	Description of Labour.		Rate.
	1.—DOMESTIC SERVANTS.		
Males	Coachmen, footmen, grooms, gardeners	per week, with board and lodging	20*s.* to 40*s.*
Males	Butlers	„ „	20*s.* to 40*s.*
Females	Cooks	per annum, „	40*l.* to 75*l.*
Females	Laundresses	„ „	40*l.* to 52*l.*
Females	Housemaids	„ „	30*l.* to 40*l.*
Females	Nursemaids	„ „	30*l.* to 40*l.*
Females	General servants	„ „	20*l.* to 40*l.*
Females	Girls	per week, „	8*s.* to 10*s.*
	2.—HOTEL SERVANTS.		
Males	Barmen	per week, with board and lodging	30*s.* to 45*s.*
Males	Waiters	„ „	25*s.* to 40*s.*
Males	Boots	„ „	15*s.* to 25*s.*
Males	Ostlers	„ „	20*s.* to 25*s.*
Males	Cooks	„ „	20*s.* to 65*s.*
Females	Barmaids	„ „	15*s.* to 25*s.*
Females	Waitresses	„ „	15*s.* to 20*s.*
Females	Housemaids	per annum „	30*l.* to 40*l.*
Females	Cooks	„ „	50*l.* to 100*l.*

The wages quoted for rural occupations, such as farm and station servants, shearers, &c. apply to instances in which the engagement is made in Melbourne.

Description of Labour.			Rate.
3.—FARM SERVANTS.			
Males	Ploughmen	per week, and found	20*s.* to 25*s.*
	Farm labourers	„ „	15*s.* to 20*s.*
	Milkmen for dairies	„ „	15*s.* to 20*s.*
	Cheesemakers	„ „	25*s.* to 40*s.*
	Reapers*	per acre, „	10*s.* to 15*s.*
	Mowers*	„ „	4*s.* to 6*s.*
	Threshers*	per bushel, „	5*d.* to 7*d.*
	Cooks	per annum, „	50*l.* to 60*l.*
Females	Dairy milkmaids	„ with board and lodging	30*l.* to 35*l.*
	Cooks	„ „	30*l.* to 40*l.*
	General servants	„ „	20*l.* to 30*l.*
Married couples (generally useful)		„ „	60*l.* to 80*l.*
Hop-pickers		per bushel	2*d.* to 3½*d.*
Maize-pickers		per bag	4*d.* to 6*d.*
4.—STATION SERVANTS.			
Males	Boundary riders	per annum with rations	40*l.* to 60*l.*
	Shepherds	„ „	36*l.* to 52*l.*
	Stockmen	„ „	50*l.* to 60*l.*
	Cooks	„ „	60*l.* to 70*l.*
	Labourers	per week, „	15*s.* to 20*s.*
	Drovers	„ „	25*s.* to 40*s.*
	Sheepwashers	„ „	15*s.* to 25*s.*
	Shearers	per 100 sheep shorn, with rations	15*s.* to 16*s.*
Females	Cooks	per annum, with board and lodging	30*l.* to 60*l.*
	General servants	„ „	30*l.* to 45*l.*
Married couples		„ with rations	70*l.* to 90*l.*
5.—WORKERS IN BOOKS, &c.			
Printers—Compositors		per 1,000, without board and lodging	1*s.* 1*d.*
„ Machinists		per week, „	2*l.* to 3*l.* 10*s.*
Lithographers		„ „	2*l.* to 3*l.* 10*s.*
Binders		„ „	2*l.* 16*s.* to 4*l.*
Paper rulers		„ „	2*l.* 16*s.* to 3*l.* 10*s.*
Sewers and folders (females)		„ „	15*s.* to 27*s.* 6*d.*
6.—IN WATCHES, JEWELLERY, AND PRECIOUS METALS.			
Watchmakers		per week, without board and lodging	2*l.* to 4*l.* 10*s.*
Manufacturing jewellers		„ „	2*l.* to 4*l.*

* Of late years the greater part of the reaping, mowing, and threshing has been done by machinery.

Description of Labour.		Rate.
7.—In Metals other than Gold and Silver.		
Blacksmiths	per day, without board and lodging	9*s.* to 11*s.*
Die sinkers	per week, „	2*l.* 10*s.* to 4*l.* 10*s.*
Engravers	„ „	1*l.* 15*s.* to 3*l.*
Farriers—Firemen	„ „	2*l.* 2*s.* to 3*l.* 10*s.*
„ Floormen	„ „	2*l.* to 2*l.* 2*s.*
Hammermen	per day, „	7*s.* to 8*s.*
Fitters	„ „	8*s.* to 12*s.*
Turners	„ „	9*s.* to 11*s.*
Boilermakers and platers	„ „	10*s.* to 11*s.*
Riveters	„ „	10*s.* to 11*s.*
Lamp makers	per week, „	2*l.* to 3*l.* 10*s.*
Pattern makers	per day, „	10*s.* to 14*s.*
Moulders	„ „	10*s.* to 11*s.* 6*d.*
Brassfinishers, coppersmiths	„ „	10*s.* to 12*s.*
Tinsmiths	per week, „	2*l.* 8*s.* to 2*l.* 14*s.*
Japanners	„ „	2*l.* to 3*l.*
Ironworkers	„ „	2*l.* to 3*l.* 6*s.*
Galvanizers	„ „	2*l.* to 3*l.* 6*s.*
Plumbers, gasfitters	„ „	2*l.* 10*s.* to 3*l.*
8.—In Carriages and Harness.		
Smiths	per week, without board and lodging	2*l.* 10*s.* to 3*l.*
Bodymakers	„ „	1*l.* 15*s.* to 2*l.* 10*s.*
Wheelers	„ „	2*l.* to 2*l.* 8*s.*
Painters	per day, „	6*s.* 6*d.* to 10*s.*
Trimmers	per week, „	2*l.* 5*s.* to 3*l.* 10*s.*
Vicemen	„ „	1*l.* 15*s.* to 2*l.*
Collar-makers	„ „	2*l.* to 4*l.*
Harness-makers	„ „	2*l.* to 4*l.*
Saddle-makers	„ „	2*l.* to 4*l.*
Saddle-tree makers	„ „	2*l.* to 2*l.* 15*s.*
Whip-makers	„ „	2*l.* to 2*l.* 15*s.*
9.—Ships and Boats.		
Sailors—Sailing vessels	per month, and found	3*l.* to 4*l.*
„ Steamships	„ „	7*l.*
Ship carpenters, shipwrights	per day, without board and lodging	13*s.*
Stevedores' men, lumpers	„ „	12*s.*
10.—In Houses and Buildings.		
Masons	per day, without board and lodging	10*s.* to 11*s.*
Plasterers	„	10*s.* to 11*s.*
Bricklayers	„ „	9*s.* to 10*s.*

Description of Labour.			Rate.
Slaters	per day, without board and lodging		10*s.* to 11*s.*
Carpenters	,,	,,	9*s.* to 10*s.*
Labourers	,,	,,	6*s.* to 7*s.*
Painters and glaziers	,,	,,	7*s.* to 10*s.*
11.—IN FURNITURE, &c.			
Cabinetmakers	per week, without board and lodging		2*l.* to 3*l.* 10*s.*
Carvers	,,	,,	2*l.* to 3*l.* 10*s.*
Turners	per day,	,,	7*s.* to 10*s.*
Upholsterers	per week,	,,	2*l.* 5*s.* to 3*l.* 3*s.*
Polishers	,,	,,	2*l.* to 2*l.* 10*s.*
Coopers	per day,	,,	9*s.* to 10*s.*
12.—WORKERS IN DRESS.			
Tailors	per hour, without board and lodging		10*d.* to 1*s.*
,,	per week	,,	2*l.* to 3*l.* 10*s.*
,, in factories	,,	,,	2*l.* to 3*l.*
Mantlemakers	,,	,,	13*s.* to 30*s.*
Milliners, first class	,,	,,	3*l.* to 4*l.*
,, second class	,,	,,	15*s.* to 2*l.* 5*s.*
Corsetmakers	,,	,,	15*s.* to 35*s.*
Dressmakers	,,	,,	12*s.* to 25*s.*
Needlewomen	,,	,,	12*s.* to 25*s.*
Bootmakers	riveting children's boots, per pair, without board and lodging.		5*d.*
,,	machine sewing children's and boys' boots, per pair, without board and lodging.		6*d.* to 9*d.*
,,	riveting boys' boots, per pair, without board and lodging.		7½*d.* to 9*d.*
,,	riveting women's boots, per pair, without board and lodging.		8*d.* to 1*s.* 1*d.*
,,	machine sewing women's boots, per pair, without board and lodging.		1*s.* 1*d.*
,,	riveting men's boots, per pair, without board and lodging.		11*d.* to 1*s.* 9*d.*
,,	machine sewing men's boots, per pair, without board and lodging.		1*s.* 5*d.*
,,	making wellingtons to order, sewn, without board and lodging.		13*s.* 6*d.*
,,	making wellingtons to order, pegged, without board and lodging.		8*s.* 6*d.*
,,	making elastics to order, sewn, without board and lodging.		10
,,	making elastics to order, pegged, without board and lodging.		7*s.* 6*d.*
,, machinists	per week, without board and lodging		10*s.* to 25*s.*
Hatters—Gossamer trade—			
,, Bodymakers—silk hats,	per dozen	,,	10*s.* to 22*s.*
,, Finishers ,,	,,	,,	12*s.* to 24*s.*
,, Shapers ,,	,,	,,	4*s.* to 12*s*
,, Crown sewers ,,	,,	,,	3*s.* 6*d.* to 4*s.*
,, Trimmers ,,	,,	,,	6*s.* to 9*s.*
Felt hat trade—			
,, Bodymakers	per week, without board and lodging		3*l.* 5*s.*
,, Blockers	,,	,,	3*l.*
,, Finishers	,,	,,	3*l.*
,, Shapers	,,	,,	3*l.*

Description of Labour.			Rate.
Hatters—Felt hat trade—*continued.*			
„ Binders (female)	per week, without board and lodging		24*s.*
„ Trimmers	„	„	20*s.*
Clothing Factories—			
Tailoresses	„	„	20*s.* to 30*s.*
Pressers	„	„	1*l.* 15*s.* to 2*l.* 15*s.*
Shirtmakers	„	„	12*s.* to 25*s.*
Machinists	„	„	15*s.* to 30*s.*
Drapers' assistants, carpet salesmen	„	„	1*l.* 10*s.* to 5*l.*
13.—In Food.			
Bakers—Foremen	per week, without board and lodging		2*l.* 5*s.* to 3*l.* 10*s.*
„ Second hands	„	„	2*l.* 5*s.* to 2*l.* 10*s.*
Butchers—Shopmen	„	„	2*l.* 5*s.* to 2*l.* 10*s.*
„ Slaughtermen	„	„	2*l.* 10*s.* to 3*l.* 10*s.*
„ Boys	„ with board		1*l.* to 1*l.* 12*s.* 6*d.*
„ Small-goods men	„	„	1*l.* 10*s.* to 2*l.* 10*s.*
Maltsters	„		2*l.* 2*s.* to 2*l.* 15*s.*
14.—In Animal Matters.			
Brushmakers	per week, without board and lodging		1*l.* 15*s.* to 3*l.* 5*s.*
Curriers	„	„	2*l.* 10*s.* to 3*l.* 10*s.*
Tanners	„	„	36*s.* to 40*s.*
Beamsmen	„	„	38*s.* to 45*s.*
Shedsmen	„	„	38*s.* to 50*s.*
Fellmongers	„	„	1*l.* 10*s.* to 2*l.* 5*s.*
Portmanteau—trunkmakers	„	„	2*l.* 5*s.* to 3*l.*
15.—In Vegetable Matters.			
Basket-makers	per week, without board and lodging		2*l.* to 3*l.*
Broom-makers	„	„	2*l.* to 3*l.*
Cigar-makers	„	„	2*l.* to 4*l.*
Cigarette-makers	„	„	2*l.* 10*s.* to 3*l.* 10*s.*
Tobacco-workers	„	„	2*l.* to 3*l.* 10*s.*
Cork-cutters	„	„	2*l.* to 3*l.*
16.—In Stone, Clay, &c.			
Brickmakers	per 1,000, without board and lodging		14*s.* to 15*s.*
Brickmakers' labourers	per day,	„	6*s.* to 7*s.*
Glassblowers	per week,	„	2*l.* 5*s.* to 3*l.* 15*s.*
Navvies	per day,	„	6*s.* 6*d.* to 8*s.*
Potters	per hour,	„	10½*d.* to 1*s.* 3*d.*
Quarrymen	per day,	„	7*s.* to 11*s.*
Labourers	„	„	6*s.* to 7*s.* 6*d.*
Stonebreakers	per cubic yard,	„	2*s.* to 4*s.*
Asphalters	per day,	„	8*s.* to 9*s.*

Description of Labour.		Rate.
17.—IN MINES.		
General managers	per week, without board and lodging	3*l.* to 10*l.*
Legal „	„ „	10*s.* to 6*l.*
Mining „	„ „	2*l.* 10*s.* to 9*l.*
Engineers	„ „	2*l.* 10*s.* to 5*l.*
Engine-drivers	„ „	2*l.* 5*s.* to 3*l.* 10*s.*
Pitmen	„ „	2*l.* 2*s.* to 4*l.* 10*s.*
Blacksmiths	„ „	2*l.* 5*s.* to 4*l.*
Carpenters	„ „	2*l.* 5*s.* to 3*l*
Foremen of shift	„ „	2*l.* 5*s.* to 3*l.* 6*s.*
Miners	„ „	2*l.* to 2*l.* 10*s*
Surfacemen (labourers)	„ „	1*l.* 10*s.* to 2*l.* 10*s.*
Boys	„ „	12*s.*6*d.* to 1*l.* 10*s.*
Chinese	„ „	1*l.* to 2*l.*

Prices.

154. Prices in Melbourne were quoted as follows for the same year. In country districts the cost of groceries, tobacco, imported wines, coal, &c. is naturally somewhat higher, and that of agricultural and grazing produce, firewood, &c. naturally somewhat lower, than in Melbourne :—

Average Prices in Melbourne, 1892.

Articles.		Year, 1892.
AGRICULTURAL PRODUCE.		
Wheat	per bushel	3*s.* 2*d.* to 4*s.* 5*d.*
Barley—		
Malting	„	3*s.* to 4*s.* 2*d.*
Cape	„	2*s.* 1*d.* to 3*s.* 10½*d.*
Oats	„	1*s.* 8*d* to 2*s.* 10*d.*
Maize	„	2*s.* 6*d.* to 4*s.*
Bran	„	8*d.* to 11½*d.*
Hay	per ton	3*l.* to 4*l.* 10*s.*
Flour, first quality	„	8*l.* to 12*l.*
Bread	per 4 lb. loaf	5*d.* to 6*d.*
GRAZING PRODUCE.		
Horses—		
Draught	each	10*l.* to 40*l.*
Saddle and Harness	„	8*l.* to 25*l.*
Cattle—		
Fat	„	6*l.* to 11*l.* 10*s.*
Milch cows	„	3*l.* 10*s.* to 15*l.*
Sheep, fat	„	8*s.* to 17*s.* 6*d.*
Lambs, fat	„	5*s.* to 12*s.*
Butchers' meat—		
Beef, retail	per lb.	2*d.* to 8*d.*
Mutton „	„	2*d.* to 5*d.*
Veal „	„	2½*d.* to 8*d.*
Pork „	„	6*d.* to 8*d.*
Lamb „	per quarter	2*s.* to 3*s* 6*d.*

Articles.		Year, 1892.
DAIRY PRODUCE.		
Butter, retail	per lb.	8*d.* to 2*s.*
Cheese „	„	7*d.* to 1*s.*
Milk	per quart	3*d.* to 5*d.*
FARM-YARD PRODUCE.		
Geese	per couple	4*s.* to 10*s.*
Ducks	„	4*s.* to 7*s.*
Fowls	„	4*s.* to 6*s.*
Rabbits	„	6*d.* to 1*s.*
Pigeons	„	1*s.* to 2*s.*
Turkeys	each	5*s.* to 15*s.*
Sucking pigs	„	5*s.* to 12*s.*
Bacon	per lb.	8*d.* to 1*s.*
Ham	„	10*d.* to 1*s.*
Eggs	per doz.	8*d.* to 2*s.* 6*d.*
GARDEN PRODUCE.		
Potatoes—		
Wholesale	per ton	2*l.* to 4*l.* 5*s.*
Retail	per cwt.	2*s.* 6*d.* to 4*s.* 6*d.*
Onions, dried	„	4*s.* to 6*s.* 6*d.*
Carrots	per dozen bunches.	6*d.* to 1*s.*
Turnips	„	6*d.* to 1*s.* 3*d.*
Radishes	„	4*d.* to 1*s.*
Cabbages	per doz.	9*d.* to 4*s.*
Cauliflowers	„	1*s.* to 5*s.*
Lettuces	„	6*d.* to 1*s.*
Green peas	per lb.	1*d.* to 5*d.*
MISCELLANEOUS ARTICLES.		
Tea (Duty paid)	per lb.	5¾*d.* to 2*s.*
Coffee „	„	8*d.* to 1*s.* 5*d.*
Sugar „	per ton	14*l.* to 25*l.* 10*s.*
Rice „	„	15*l.* to 22*l.* 10*s.*
Tobacco (in bond) :—		
Imported mftd.	per lb.	1*s.* to 2*s.* 3*d.*
Colonial „	„	2*s.* 3*d.* to 5*s.*
Soap, colonial	per ton	10*l.* to 28*l.*
Candles, sperm	per lb.	5*d.* to 8½*d.*
Salt	per ton	3*l.* 10*s.* to 5*l.* 15*s.*
Coals	„	18*s.* to 22*s.*
Firewood	„	9*s.* 6*d.* to 12*s.*
WINES, SPIRITS &C.		
Ale (duty paid)	per hhd.	5*l.* 10*s.* to 8*l.*
„ „	qts. per doz.	9*s.* 6*d.* to 12*s.*
Stout „	per hhd.	5*l.* to 7*l.* 10*s.*
„ „	qts. per doz.	9*s.* 6*d.* to 12*s.*
Brandy, in bulk (in bond)	per gall.	5*s.* to 20*s.*
Rum „ „	„	2*s.* to 6*s.* 6*d.*
Whisky „ „	„	3*s.* to 15*s.*
Port wine (in bond)	per pipe	22*l.* to 120*l.*
Sherry (in bond)	per butt	25*l.* to 140*l.*
Claret, &c. (in bond)	per doz.	16*s.* to 90*s.*
Champagne (in bond)	„	33*s.* to 102*s.*

VICTORIA. 1892.

Victorian Year Book.

155. For complete information on many points which have been merely touched upon, and on others which are not even mentioned in this digest, the reader is referred to the "Victorian Year Book,* 1893."

* This is an official publication by the Government Statist, published annually, and may be obtained from the Government printer, Melbourne, or the Agent General of Victoria, 8, Victoria Chambers, Westminster; or Kegan Paul, Trench, Trübner & Co., 1, Paternoster Square, London, E.C.

COLONIAL REPORTS.—ANNUAL.

No. 115.

ZULULAND.

ANNUAL REPORT FOR 1893.

(For Report for 1892, *see* Colonial Report [Annual] No. 91.)

Presented to both Houses of Parliament by Command of Her Majesty
August 1894.

LONDON:
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1894.

[C.—7319.–13.]

COLONIAL REPORTS.

The following, among other reports relating to Her Majesty's Colonial Possessions, have been issued, and may be obtained for a few sence from the sources indicated on the title page:—

ANNUAL.

No.	Colony.	Year.
79	Malta	1892
80	Gambia	,,
81	Strait Settlements	,,
82	Grenada	,,
83	Barbados	,,
84	St. Vincent	,,
85	Hong Kong	,,
86	St. Lucia	,,
87	Falkland Islands	,,
88	Gold Coast	,,
89	Basutoland	1892–93
90	Ceylon	1892
91	Zululand	,,
92	Mauritius	,,
93	Labuan	,,
94	British Honduras	,,
95	Lagos	,,
96	Sierra Leone	,,
97	Fiji	,,
98	Rodrigues	,,
99	St. Helena	,,
100	British Bechuanaland	1892–93
101	British Guiana	,,
102	Newfoundland	1892
103	Jamaica	1892–93
104	Victoria	1892
105	Bermuda	1893
106	Gambia	,,
107	Hong Kong	,,
108	St. Vincent	,,
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110	Bahamas	,,
111	Turks and Caicos Islands	,,
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MISCELLANEOUS.

No.	Colony.	Subject.
1	Gold Coast	Economic Agriculture.
2	Zululand	Forests.
3	Sierra Leone	Geology and Botany.

No. 115.

ZULULAND.

[For Report for 1892 *see* Colonial Report (Annual) No. 91.]

Sir W. F. HELY-HUTCHINSON to the MARQUESS OF RIPON.

Government House, Pietermaritzburg,
MY LORD, Natal, July 6, 1894.

I HAVE the honour to transmit, in compliance with Colonial Regulations 268–271, the annual Blue Book for he year 1893, in duplicate, together with a copy of the report hereon by the Resident Commissioner.

The Population Return appears to me to be open to criticism. I am in communication with the Resident Commissioner on the subject.

I have, &c.
(Signed) WALTER HELY-HUTCHINSON,
Governor.

REPORT on the BLUE BOOK for the year 1893, by the RESIDENT COMMISSIONER.

Revenue and Expenditure.

The total revenue of the Territory for the year 1893 amounted to 43,666*l.* 13*s.* 11*d.*, being 1,234*l.* 6*s.* 5*d.* in excess of that for the previous year, which was 42,432*l.* 7*s.* 6*d.* This excess is chiefly due to an increase in the Hut Tax, owing to the natural growth of population. The Revenue exceeded the estimate by 2,314*l.* 13*s.* 11*d.*, notably under the heads "Duties, Taxes, Licenses," "Fees of Court or Office," and "Post and Telegraph."

The expenditure amounted to 38,854*l.* 16*s* 10*d.*, as compared with 33,950*l.* 12*s.* 10*d.* in 1892. The increase of 4,901*l.* 4*s.* 0*d.*, which is thus shown, is accounted for by :—

(1.) The re-establishment of the Ubombo Magistracy.
(2.) The increase of salaries
(3.) The improvement of roads.
(4.) The purchase of arms which were obtained from the Natal Government in 1884.

(5.) The purchase of furniture for the Residency at Eshowe.

(6.) The survey of the boundary between Zululand and the South African Republic. The expenditure on this work amounted during the year to 1,164*l.* 11*s.* 3*d.* According to an agreement with the Government of the South African Republic, half the cost of this survey will be repaid to the Zululand Government, on its completion in 1894.

The expenditure during the year was 2,478*l.* 0*s.* 5*d.* less than the estimate.

Assets and Liabilities.

The total assets on the 31st December 1893 exceeded the liabilities of the Territory on that date by 37,668*l.* 16*s.* 11*d.*

A sum of 19,500*l.* is invested by the Crown Agents in Colonial and other securities. The interest on these surplus funds amounted to 627*l.* 4*s.* 0*d.*

Public Debt.

There is no public debt.

Military Expenditure.

A sum of 9,618*l.* 16*s.* 0*d.*, being 1,262*l.* 4*s.* 0*d.* under the estimate, was expended on the maintenance of the Zululand Native Police, as compared with 10,010*l.* 6*s.* 0*d.* during the previous year. This force is composed of:—

A Commandant, 5 Sub-Inspectors, } Europeans.

250 native non-commissioned officers and men.

456*l.* 11*s.* 11*d.* was spent on the erection of barracks at Eshowe, the headquarters of the Zululand Police.

The cost of the Imperial troops quartered at Eshowe will appear in the Blue Book of Natal, with which Colony Zululand forms one military command. The strength of the garrison during the year was:—150 officers, non-commissioned officers, and men.

Public Works.

A. Roads.—Repairs to the main roads of the territory were effected at a cost of 2,080*l.* 19*s.* 1*d.*, being 80*l.* 19*s.* 1*d.* in excess of the original estimates, which would not have been exceeded but for the exceptionally heavy rainfall, which caused considerable damage to the roads all over Zululand. Further progress was made on the new road from Eshowe to Tugela, upon which 408*l.* 4*s.* 10*d.* was expended, bringing the total expenditure on this work up to 2,102*l.* 6*s.* 2*d.*, on the 31st December 1893.

B. Buildings.—The construction of the Police Barracks at Eshowe was proceeded with, but this work has not yet been completed, the amount of 500*l.* provided on the estimates having been found to be inadequate.

Further additions were made to the Gaol, Gaoler's quarters, Court House, and Residency at Eshowe.

Government Magazines were built at Melmoth and Eshowe, at a cost of 120*l.* 5*s.* 1*d.*, and 140*l.* 17*s.* 6*d.* each. Ammunition can be purchased by the public at each of these magazines. A Court-room and Lock-up was erected at Umbombo for 291*l.* 14*s.* 5*d.*

The expenditure on maintenance of buildings amounted to 397*l.* 18*s.* 0*d.*—2*l.* 2*s.* 0*d.* within the estimate.

Legislation.

A Proclamation providing for the compulsory attendance of witnesses resident in Zululand before the law courts of the South African Republic is the only legislative enactment of noticeable importance which was promulgated during the year.

Civil Establishment.

Sir Marshal Clarke was appointed as Resident Commissioner and Chief Magistrate on the retirement of Sir Melmoth Osborn on the 31st July. Sir Charles Mitchell relinquished office on the 13th July, and Mr. Haden administered the Government from that date to the 28th of September, when the Honourable Sir Walter Hely-Hutchinson assumed the office of Governor.

The Magistracy at Ubombo was re-established in October, and a magistrate appointed with the necessary staff.

A local Auditor was appointed on the 1st of July and assumed duty on the 29th of that month.

Pensions and Stipends.

Sir Melmoth Osborn retired from the Office of Resident Commissioner and Chief Magistrate on the 31st July, on a pension at the rate of 778*l.* per annum, of which 744*l.* 13*s.* 4*d.* is contributed from Zululand, and 33*l.* 6*s.* 8*d.* from Imperial funds. The sum actually expended on pensions during the year was 248*l.* 4*s.* 9*d.*

The amount paid as stipends to Chiefs remained the same in 1893 as it was in 1892, viz.:—500*l.*

Population.

The White population amounted to 857 as compared with 700 in the previous year.

The native population, which is calculated on the number of huts upon which tax was paid during the year—each hut being estimated to contain $3\frac{1}{3}$ souls—amounted approximately to

ZULULAND. 1893.

163,447. Compared with 1892, the native population for 1893 stands as follows :—

Males.	Females.	Total.	Year.
70,053	93,394	163,447	1893
69,489	84,932	154,421	1892
Increase 564	8,462	9,026	1893

The calculation of the population upon the amount of Hut Tax collected is essentially misleading. The total population of the territory is estimated at 13·144 to the square mile. Generally speaking, the country is thinly populated, and in the low lying districts along the sea coast, north of the Umhlatusi river, there are extensive tracts of land rendered uninhabitable by malarial fever.

Education.

The total number of native schools at work during the year was 33, the expenditure on which amounted roughly to 1,131*l.* There were 665 scholars in average attendance at these schools, which are entirely supported and carried on by Missionary societies, of which there are five.

An annual Government contribution is about to be made in aid of native education, and a scheme for the distribution of the grant is under consideration.

Agriculture.

A good harvest was obtained in all parts of the Territory, the season having been an exceptionally good one. The total yield of crops was above the average. The natural pasturage of Zululand is excellent for cattle, and, in many localities, for sheep and horses.

The natives suffered considerable losses of stock from a disease known as "Nakana," which generally made its appearance in the districts unhealthy for man. An exhaustive inquiry was instituted as to the cause of this peculiar disease. It is to be gathered from the result of the investigation made that "Nakana" prevails only in the localities occupied by the large species of game, and is associated with the presence of game by the natives.

Measures have consequently been taken with the object of confining the larger species of game to the most unhealthy and uninhabited parts of the country, where they will not come into contact with cattle and other stock.

The mortality amongst cattle from lung-sickness was heavy in the Intonjaneni District, whilst the other districts were compara-

tively free from this disease. Owing probably to the heavy rainfall, horse sickness was unusually severe, especially in the Inkandhla district.

The Natives continue to cultivate only to the extent of their own requirements, the crops grown at each kraal being no more than is sufficient for the food of its inmates. In the Inkandhla, Eshowe, and Nqutu Districts, however, ploughs are now being bought, and in the latter district, which is chiefly inhabited by Basutus, grain is being extensively cultivated for sale, the plough being used at almost every kraal.

Manufactures and Mines.

(*a.*) *Nqutu District.*—The interest in the Nondweni gold fields revived considerably during the year. A large tract of land, in extent 12 by 3 miles, was marked off in areas which are being developed by syndicates or individual prospectors.

A 10-stamp battery was opened in November on the property of the Enterprise Syndicate, and the result of 19 days crushing for the month of December, from 116 tons of quartz, was 134 oz. 10 dwts. of gold, equal to an average of 1 oz. 3 dwts. 4¼ grains to the ton, which compares favourably with the crushing of the principal properties in Johannesburg. The reef on the "Enterprise" is 6 feet wide, and is pronounced to be permanent, being well defined and cased in solid formation. It has as yet given no signs of "pinching out." A shaft of 90 feet has been sunk on the reef, and a drive of 76 feet along the reef. To work the property, further development is required, which seems to be beyond the power of the present owners, through want of capital. It is generally considered that the property will not pay until a company with a capital of fifty or sixty thousand pounds has been floated on it. Areas have been pegged off on what is called the "Enterprise Extension," for about eight miles, in the hope of catching the "Enterprise" reef. It is difficult to say whether the prospectors are working in the right direction; there is a difference of opinion on this point. Should any of the prospectors catch the reef, it is believed that the success of the fields will be ensured. Two large reefs on the "Sisters" and "Bulls' Luck" properties, said to be payable, have been struck. Twelve syndicates, composed of people from Natal, the Free State, Zululand, and the South African Republic, have their representatives and prospectors on the fields, and are either the owners or have taken over properties on agreement with the original prospectors for development. Two hundred and seventy prospecting licenses and renewal of licenses were issued, and 157 areas were registered during the year.

(*b.*) *Lower Umfolosi District.*—From indications to be found for a considerable distance along the sea shore in the Umbonambi location, it would appear that coal exists in large quantities from the Mpungunyoni almost to the mouth of the Umhlatusi River.

ZULULAND. 1893.

The formation is the same throughout, and the outcrops at the foot of the hills along the sea shore are identified with those found at the Mpungunyoni, where excellent coal has been found.

(*c.*) *Hlabisa District.*—Extensive seams of coal were discovered near St. Lucia Bay in this district towards the end of 1892. A Syndicate has applied for a mining lease of 4,000 acres of land, which has been surveyed, with the intention of working these seams. Samples of the coal have been treated with satisfactory results. The question of granting a concession for the construction of a line of railway from Tugela on the Natal border to the St. Lucia coal fields is under the consideration of Government.

Grants of Land.

A number of erven, or one-acre lots, were sold in the township of Eshowe. After the repayment to general revenue of the initial expenditure on the formation of this township, the proceeds of the sales will be invested for the benefit and improvement of the town.

Criminal Statistics.

As compared with 1892, a considerable increase is shown in the number of offences committed and the total convictions during 1893, of which common offences form a very large proportion. This increase is due, in a great measure, to excessive beer-drinking in the Nqutu District, where drunkenness is becoming a serious evil among the Basutus.

The increase of crime in other districts has not been abnormal.

The number of cases which came before the Chief Magistrate for confirmation from the Magistrates' courts was 101, as compared with 113 in the previous year. The principal of these cases were :—

Cattle stealing	20
Common offences	19
Assaults	18
Thefts	15
Culpable homicide	8
Adultery	7

The number of convictions for murder before the High Court was exceptionally large, being equal to the aggregate for the three previous years. Sentence of death was passed on 12 prisoners convicted of this crime. Five of these sentences were commuted by the Governor to imprisonment for life, and seven were duly carried out.

Meteorological Observations.

Eshowe and Inkandhla are the only stations at which meteorological observations were taken. Each of the Magistrates is now

being provided with the necessary instructions and instruments for the purpose of keeping a complete record of the climatic conditions of the Territory.

The total rainfall at Eshowe is shown to have been 77·66, and at Inkandhla 44·42 inches. Copious rains fell all over Zululand towards the close of the year, and the rainfall was considerably over the average.

Concluding Remarks.

The year cannot be said to have been a healthy one. The natives suffered from fever in every district during the summer months. Many cases resulted fatally. It broke out with exceptional severity in the Ndwandwe District, where no less than 300 deaths were reported in the months of March and April, and in the Nqutu District, where 52 deaths occurred in the early part of the year. Influenza prevailed principally in the Nkandhla District, where a number of cases terminated fatally. There were also three outbreaks of small-pox in the same district, from which five deaths are recorded. The Nqutu District was visited by the same epidemic at the end of the year—six deaths being reported from it. In each case it was found that the small-pox was introduced by native labourers who had returned to their homes from the Johannesburg mines in the South African Republic where the disease has existed for some time. Extensive vaccination was carried on in the districts afflicted The native Chiefs readily supported the Government in enforcing the quarantine regulations, and the occupants of infected kraals cheerfully submitted to the restrictions placed upon them.

Good order prevailed throughout Zululand during the year, and he Chiefs and people continued to show a ready obedience to the Government.

Eshowe, Zululand,
May 29, 1894.

(Signed) MARSHAL CLARKE,
Resident Commissioner.

REPORT

BY

THE RIGHT HON. THE EARL OF JERSEY, G.C.M.G.,

ON

THE COLONIAL CONFERENCE AT OTTAWA,

NOTE.—The Earl of Jersey desires to state that the observation on p. 14, with regard to the depth of the route followed by the lines of the Eastern Extension Company between Java and Port Darwin, was made on incorrect information and should be deemed to be omitted.

August 1894.

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REPORT

BY

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ON

THE COLONIAL CONFERENCE AT OTTAWA,

WITH THE

PROCEEDINGS OF THE CONFERENCE

AND CERTAIN CORRESPONDENCE.

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(*b.*)	To the Earl of Jersey	—	Aug. 28	Expresses entire approval of his proceedings at the Conference, and conveys the thanks of Her Majesty's Government for his Report.	286
			PART II.—CORRESPONDENCE.		
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1	Sandford Fleming, Esq.	—	May 16	Encloses a letter from the Colonial Delegates requesting that Her Majesty's Government will cause a survey to be made to ascertain the practicability, or otherwise, of laying a cable in the Pacific Ocean to connect Canada and Australasia, and offers to discuss the question with any officer appointed for the purpose.	287
2	To Admiralty -	—	May 23	Transmits copy of a letter from Mr. Sandford Fleming covering one from the Colonial Delegates, as to the practicability of laying a cable between Canada and Australia, and suggests that Mr. Fleming should be placed in communication with the Hydrographer.	288
3	Admiralty - -	—	May 28	States that Mr. Sandford Fleming can see the Hydrographer on any day he chooses to fix. Admiralty do not propose to send a surveying vessel expressly for this purpose, but will obtain the information required in the ordinary course of survey work.	288
4	To Sandford Fleming, Esq.	—	June 3	Transmits copy of a correspondence with the Admiralty.	288
5	Sandford Fleming, Esq.	—	June 8	Points out that the course proposed by the Admiralty of making the necessary surveys in the ordinary course will not meet the wishes of the Colonial Delegates.	289
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8	India Office - -	—	July 6	States that the Government of India admit the desirability of an alternative telegraphic line of communication between Great Britain and the Colonies, but decline to help to pay for it.	291

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Serial No.	From or to whom.	Colony.	Date.	Subject.	Page.
			1887.		
9	To the Marquis of Lansdowne.	Canada	July 12	Transmits copy of correspondence relative to the laying of a Pacific cable, and observes that the Secretary of State would be in a better position to urge upon the Admiralty the acceleration of the survey, if it could be established that the Colonial Governments concerned would be prepared to pay for it.	291
10	Ditto	Canada	July 19	Transmits copy of a letter from the India Office conveying the reply of the Government of India to the application for a subsidy to a Pacific cable.	291
11	The Marquis of Lansdowne.	Canada	July 28 (Rec. Aug. 19).	Transmits a minute of the Privy Council agreeing to ask Parliament for an annual subsidy of 7,500*l.* for 25 years towards the cost of a Pacific cable.	292
12	To the Marquis of Lansdowne.	Canada	September 1	Observes that if his Government decide to press for the survey of a route they will no doubt communicate with the Australian Governments concerned; and that the first point to be considered is whether those governments would be prepared to unite with the Dominion Government in establishing and maintaining a cable with or without Imperial co-operation.	295
13	The Marquis of Lansdowne.	Canada	September 8 (Rec. Sept 23.)	Transmits copy of a minute of the Privy Council, covering further correspondence, and recommending that no further steps be taken pending a reply to Mr. Sandford Fleming's letter of 8th June.	296
14	To the Marquis of Lansdowne.	Canada	October 4	Points out with reference to his despatch of 8th September, that the Secretary of State's despatch of 12th July was intended as a reply to Mr. Sandford Fleming's letter of 8th June.	298
15	To the High Commissioner for Canada.	—	October 6	Transmits copies of further correspondence.	299
			1888.		
16	Sir H. B. Loch	Victoria	(Rec. March 8) (Telegraphic).	Reports that his Government request that an early survey may be made of a suitable route for a Pacific cable by way of Vancouver, the cost to be borne by Her Majesty's Government and the Governments of Canada and Australasia.	299
17	To Admiralty	—	March 16	Transmits copy of telegram from the Governor of Victoria of March 8 and asks to be furnished with an estimate of the cost of a survey.	299
18	Admiralty	—	April 4	Expresses the opinion that the question of hastening the survey by providing vessel in addition to H.M.S. "Egeria," which is employed on ordinary surveying work, must stand over until the Admiralty can be assured that the funds for constructing a cable will be found; the cost of a survey by a vessel employed exclusively upon it for three years would be about 36,000*l.* per annum.	300

Serial No.	From or to whom.	Colony.	Date.	Subject.	Page.
			1888.		
19	Sir H. B. Loch	Victoria	March 8 (Rec. April 12.)	Transmits copy of a memorandum by Ministers, forwarding a resolution passed at a conference of the Colonial Governments (New South Wales dissenting) in favour of a Pacific cable *viâ* Vancouver, and asking that the Admiralty may be requested to undertake the desired survey at the earliest possible date.	300
20	To Sir H. B. Loch	Victoria	April 27 (Telegraphic.)	Informs him that the question of a survey cannot be decided pending the receipt of the proposals of the Postal Conference and the views of the Canadian Government.	301
21	To Governors of Australasian Colonies and Governor-General of Canada.	Circular	May 1	Encloses copy of correspondence with Admiralty, and expresses concurrence in the view that the question must remain open until there is a prospect that the funds can be obtained.	301
22	Sir H. B. Loch	Victoria	May 5 (Rec. June 16.)	Transmits copy of a resolution passed by the Postal Conference at Sydney in favour of a survey for a Pacific cable by way of Vancouver.	302
23	Sir W. C. F. Robinson	South Australia	September 22 (Rec. Oct. 29.)	Reports that his Government do not intend to contribute to the cost of the proposed survey.	302
24	The Eastern Telegraph Company.	—	November 17	Encloses copy of a telegram from their agent at Melbourne respecting the block in the negotiations between the colonies, and asks that no subsidy may be granted to any company to the detriment of their interests.	303
25	Lord Stanley of Preston	Canada	November 17 (Rec. Dec. 4.)	Transmits copy of a minute of council recommending that the Australian Colonies be invited to take part in a conference to consider the possibility of closer telegraphic communication between Canada and Australia.	305
26	To the Eastern Telegraph Company.	—	December 5	Acknowledges receipt of their letter of 17th November.	306
27	To Lord Stanley of Preston.	Canada	December 22	Expresses interest in the steps taken by the Dominion Government in the matter of closer trade and telegraphic relations with the Australian Colonies.	306
			1889.		
28	Sir H. B. Loch	Victoria	February 21 (Rec. April 1.)	Transmits copy of a letter from the Governor General of Canada, inviting a conference of Australian Governments with that of Canada, and of his reply suggesting Australia instead of Canada as the place of meeting.	306
29	The High Commissioner for Canada.	—	September 30	Transmits copy of a letter from Mr. Abbott, who has been appointed to attend the conference with the Australian Colonies, asking that the Admiralty will take soundings between Honolulu and Vancouver.	308

Serial No.	From or to whom.	Colony.	Date.	Subject	Page.
			1889.		
30	The Eastern Extension Telegraph Company.	—	October 9	Transmits copies of letters to the Governments of New Zealand and New South Wales, offering to duplicate the cable between New Zealand and Australia, and asks for support of Colonial Office.	309
31	To the High Commissioner for Canada.	—	October 10	Informs him that Lord Knutsford is in communication with the Admiralty on the subject of the taking of soundings between Vancouver and Honolulu.	310
32	To Admiralty -	—	October 10	Transmits copy of a letter from the High Commissioner for Canada, asking that soundings may be taken between Honolulu and Vancouver, and inquires whether it is possible to meet the wishes of the Colonial Governments in this matter.	310
33	Admiralty - -	—	October 23	States that the Admiralty must adhere to the opinion expressed in 1888, and cannot disturb the programme of H.M.S. "Egeria," and that the suggestion that one of Her Majesty's vessels should be employed to take soundings between Honolulu and Vancouver, is not practicable.	310
34	To Sir John Pender (Eastern Extension Telegraph Co.)	—	October 24	Acknowledges receipt of his letter of 9th October.	311
35	To the High Commissioner for Canada.	—	November 2	Transmits copy of a letter from the Admiralty respecting the desire of the Colonial Governments, that soundings should be taken by one of Her Majesty's ships.	311
			1890.		
36	Lord Stanley of Preston.	Canada	January 27 (Rec. Feb. 13.)	Transmits copy of a minute of the Privy Council, notifying that the proposed conference with the Australian Colonies has been postponed till the Spring.	311
37	The Eastern Extension Telegraph Co.	—	February 20	Reports that one of the Company's vessels is leaving for Sydney on 20th February, for the purpose of laying a duplicate cable between Nelson (N.Z.) and Sydney.	312
38	To the Eastern Extension Telegraph Co.	—	February 27	Acknowledges receipt of their letter of 20th February.	313
39	To the Agents General	—	March 3	Transmits copy of a despatch from the Governor General of Canada relative to the projected conference between Canada and Australia.	313
40	The Eastern Extension Telegraph Co.	—	May 7	Announces the successful completion of the new Sydney-Nelson cable.	313
41	To the Eastern Extension Telegraph Co.	—	May 12	Acknowledges receipt of their letter of 7th May.	313
42	Sandford Fleming, Esq.	—	June 26	Deprecates the adoption of the proposal that the Imperial and Colonial Governments should, in consideration of the reduction of existing rates by about one half, subsidise the presently existing companies for a period of 10 years.	314

Serial No.	From or to whom.	Colony.	Date.	Subject.	Page.
			1890.		
43	The High Commissioner for Canada.	—	July 1	Conveys the objection of his Government to the proposal to subsidize the existing companies for the purpose of securing a reduction of rates.	316
44	To Sandford Fleming, Esq.	—	July 7	Thanks him for his letter of 26th June, and refers him to the answer given by Mr. Jackson to a question in the House of Commons on 12th June.	317
45	To the High Commissioner for Canada.	—	July 9	Informs him that Her Majesty's Government have felt themselves precluded from joining in the proposed guarantee to the existing cable companies with a view to reduction of rates.	317
46	Sandford Fleming, Esq.	—	July 28	Transmits copy of correspondence with Sir John Pender, and of a newspaper extract on the subject of the provision of an alternative cable between Canada and Australia.	317
47	To Sandford Fleming, Esq.	—	August 7	Acknowledges with thanks the receipt of his letter of 28th July.	319
			1892.		
48	The Association of Chambers of Commerce of the United Kingdom (James Hole, Esq.)	—	October 25	Urges the desirability, in the interests of the empire, of constructing a Pacific cable to connect England with the East and Australia.	319
49	To James Hole, Esq. (Association of Chambers of Commerce).	—	November 15	States that the difficulties inherent to the laying of a Pacific cable not touching foreign territory appear to militate against a successful revival of the scheme at present.	320
			1893.		
50	Lord Stanley of Preston.	Canada	January 9 (Rec. Jan. 31.)	Transmits copy of a Privy Council Minute, submitting correspondence from the Ottawa Board of Trade advocating the appointment of a Special Commission to inquire into the most feasible means of completing the telegraphic system of the empire, and expressing the willingness of the Dominion Government to send a delegate.	321
51	To Lord Stanley of Preston.	Canada	March 22	States that, in view of considerations set forth, it is not considered desirable to summon a Conference, as suggested by the Board of Trade of Ottawa, to inquire into the most feasible means of completing the telegraph system of the empire.	323
52	To Admiralty -	—	March 22	Asks for any information obtained with regard to any portion of the route of the proposed cable as the result of the operations of H.M.S. "Egeria."	324
53	Admiralty -	—	March 30 (Extract.)	Summarises the information obtained by H.M.S. "Egeria" with regard to the route of a cable from Vancouver to Australia.	324
54	To the Earl of Derby	Canada	April 29	Transmits copy of a letter from the Admiralty stating the results of the partial survey made by H.M.S. "Egeria" of a part of the route of the proposed cable.	325

Serial No.	From or to whom.	Colony.	Date.	Subject.	Page.
			1893.		
55	Acting Governor Madden.	Victoria	May 8 (Rec. June 13.)	Transmits copy of memorandum from the Premier, covering correspondence with the other Australasian Colonies, on the subject of a Pacific cable and conveying his strong objection to the agreement between the Governments of New South Wales and Queensland and the Société Française des Télégraphes Sous-Marins for a cable from Queensland to New Caledonia.	325
56	Acting Governor Dobson.	Tasmania	May 27 (Rec. July 3.)	Transmits a paper by Mr. Audley Coote on the subject of the proposed Pacific cable.	328
57	To Viscount Gormanston.	Tasmania	August 30	Requests that Mr. Coote may be informed that the papers enclosed in the Acting Governor's despatch of 27th May were duly received.	334
58	To the Governors of Australasian Colonies.	—	August 30	Regrets the action of New South Wales and Queensland in regard to the laying of a cable between Queensland and New Caledonia as implying a departure from principles of Colonial cohesion and the consideration of Imperial interests, and observes that Her Majesty's Government cannot regard with approval an arrangement by which the cable would touch foreign territory.	334
59	The Premier to the High Commissioner.	Canada	September 9 (Rec. in Colonial Office Sept. 11.) (Telegraphic.)	Requests him to inform the Secretary of State that delegates are to proceed to Australia to discuss inter-colonial trade and the cable question, and that it is most desirable no steps should be taken for forming a communication by French cable with Fiji until the views of Canada have been heard.	335
60	The High Commissioner for Canada.	—	September 13	Reports that he has informed his Government that no proposal to connect Fiji with New Caledonia by French cable has been made to the Secretary of State.	335
61	To the Governors of the Australasian Colonies.	—	September 15	Transmits copy of correspondence with the Admiralty and the General Post Office.	336
62	To the High Commissioner for Canada.	—	September 15	Informs him, with reference to Sir John Thompson's telegram of 9th instant, that the question of connecting Fiji with New Caledonia by the French cable has not been submitted to the Secretary of State, and there is no expectation that it will be made, but that the wishes of the Dominion Government will be borne in mind.	336
63	Foreign Office	—	October 26	Transmits copy of a despatch from Her Majesty's Consul at Samoa reporting that the Premier of Queensland had forwarded to the Samoan Government a copy of a Resolution of the Australian Governments in favour of a Pacific cable, and that the Samoan Government had expressed satisfaction and offered any but monetary assistance.	336

Serial No	From or to whom.	Colony.	Date.	Subject.	Page.
			1893.		
64	Sir H. W. Norman -	Queensland	October 24 (Rec. Dec. 5.) (Extract.)	Transmits copy of a memorandum by Mr. Sandford Fleming on the subject of the proposed cable between Australia and Canada.	337
65	Ditto - -	Queensland	October 27 (Rec. Dec. 5.)	Transmits copy of a letter from the Chief Secretary expressing surprise at the discouraging tone of the correspondence forwarded in Lord Ripon's despatch of 15th September, and reiterating the desire of the Colonial Government that the scheme may yet be carried out.	344
66	The Earl of Kintore -	South Australia	November 1 (Rec. Dec. 5.)	Reports that his Ministers fully concur in the view that any Pacific cable which may be constructed should be confined, wherever possible, to British territory.	345
67	Sir W. C. F. Robinson	Western Australia	November 15 (Rec. Dec. 18.)	Reports that he has communicated to Ministers, the Secretary of State's despatch of 15th September.	345
68	The High Commissioner for Canada.	—	December 23	Encloses extract from a letter from Mr. Sandford Fleming, reporting the success of the mission to Australia, and enclosing papers which show that a Pacific cable is entirely practicable.	346
			1894.		
69	Sir John Pender -	—	(Rec. in Colonial Office January 3.)	Submits arguments against the construction of a Pacific cable.	347
70	The High Commissioner for Canada.	—	January 11	Asks for the dates on which the partial survey made by the Admiralty was commenced and abandoned, and for a copy of the instructions to H.M.S. "Egeria."	350
71	To Admiralty - -	—	January 16	Transmits copy of a letter from the High Commissioner requesting information as to the partial survey made by H.M.S. "Egeria," and asks that the information may be supplied.	350
72	Admiralty - -	—	January 30	Furnishes the dates of the partial survey effected by H.M.S. "Egeria," and states the purport of the instructions issued.	350
73	To the High Commissioner for Canada.	—	February 5	Transmits copy of correspondence with the Admiralty relative to the partial survey made by H.M.S. "Egeria."	351
74	The High Commissioner for Canada.	—	February 6	Asks to be supplied with the information stated by the Admiralty to have been acquired during the survey operations of H.M.S. "Egeria."	351
75	To Admiralty - -	—	February 10	Transmits copy of a letter from the High Commissioner for Canada requesting to be supplied with information obtained during the survey made by H.M.S. "Egeria," and asks that the request may be complied with if possible.	351

Serial No.	From or to whom.	Colony.	Date.	Subject.	Page.
			1894.		
76	Admiralty - -	—	February 17	Transmits copies of reports by the Hydrographer which contain an abstract of the work performed by the "Egeria."	352
77	The Earl of Aberdeen	32	February 8 (Rec. Feb. 21.)	Transmits copy of a Despatch inviting the Governors of the Australasian Colonies and the Cape of Good Hope to send delegates to a Conference to be held in Ottawa, on 21st June, for the discussion of trade relations and telegraphic communication.	352
78	To the High Commissioner.	Canada	February 23	Transmits copy of a letter from the Admiralty furnishing information asked for as to the work done by the "Egeria."	354
79	The High Commissioner.	Canada	March 16	Requests that the Secretary of State will appoint an interview with himself and the other Colonial representatives named, for the purpose of discussing certain objects of common interest, and to urge the appointment of an Imperial representative at the forthcoming Conference.	354
80	To the Board of Trade.	—	March 22	States that Lord Ripon has been invited to discuss with certain of the Colonial agents various questions bearing on the relations between different portions of the Empire, but that before taking any steps he would be glad of the views of the Board of Trade.	354
81	To the High Commissioner.	—	March 31	Appoints an interview for 4th April - -	355
82	Board of Trade -	—	March 31	Expresses the views of the Board as to the extent to which the Secretary of State should be prepared to discuss Inter-Colonial trade relations at the forthcoming interview.	355
83	The High Commissioner.	Canada	April 3	Encloses copy of a memorandum on the subject of the amendment of the Imperial Act relating to Customs Duties in the Australasian Colonies.	356
84	Ditto - -	—	April 4	Encloses extracts on the subject of preferential trade arrangements between the Colonies.	357
85	The Eastern Extension Telegraph Company (Sir John Pender).	—	April 4	Submits that a wholly British cable is not necessary except on sentimental grounds, but that if it is to be constructed the Eastern Extension Company can do it better than any other company.	359
86	To Sir John Pender	—	April 12	Acknowledges receipt of his letter of 4th April.	360
87	India Office -	—	May 8	Forwards copy of a letter from Sir J. Pender deprecating the construction of a Pacific cable. As an interested party, the Indian Government requests to be favoured with the views of the Secretary of State on the project, and an opportunity of discussing the question should any practicable proposals be submitted to Her Majesty's Government.	360

Serial No.	From or to whom.	Colony.	Date.	Subject.	Page.
			1894.		
88	Sir W. G. Cameron -	Cape Colony.	(Rec. May 16) (Telegraphic.)	Reports that the Chief Justice and the Agent-General have been appointed delegates at the Ottawa Conference.	362
88A	The High Commissioner.	Canada	May 18	Transmits resolutions of the Vancouver Board of Trade in favour of a subsidy to the proposed fast Atlantic service, joint guarantee of interest on a Pacific cable, and the removal of restrictions on reciprocal trade relations within the Empire.	362
89	To India Office - -	—	May 19	States that the Secretary of State would view with satisfaction the establishment of the proposed Pacific cable if the project is considered feasible; and that, while he recognises the difficulties which exist, the natural opposition of the Eastern Extension Company would not justify Her Majesty's Government in withholding support from the scheme.	363
90	Sir W. G. Cameron -	Cape Colony.	(Rec. May 21) (Telegraphic.)	Reports that Mr. Hofmeyr has also been appointed a delegate.	364
91	The Acting Agent-General (Mr. Playford).	South Australia.	May 24	States that he has been appointed delegate for the Colony at the Ottawa Conference, and inquires whether surveys have been made and soundings taken along the route proposed by Mr. Sandford Fleming for a Pacific cable.	364
92	To the Earl of Aberdeen.	Canada	May 24	Informs him that Sir John de Villiers, Sir Charles Mills and Mr. J. H. Hofmeyr have been appointed delegates from the Cape Government.	364
93	Ditto - - -	Canada	May 28 (Telegraphic.)	Informs him that the Earl of Jersey will attend the Conference on behalf of Her Majesty's Government.	364
94	Sir H. W. Norman -	Queensland	April 16 (Rec. May 29.)	Reports that Messrs. A. J. Thynne and William Forrest have been appointed delegates of the Colony at the Conference.	365
95	The Agent-General -	New South Wales.	May 30	States that Mr. F. B. Suttor, Minister of Public Instruction, has been appointed to represent the Colony at the Conference.	365
96	Lloyds - -	—	May 30	Requests that before Her Majesty's Government consent to subsidise the proposed accelerated mail service between Australia and England, *viâ* Canada, those Australian Colonies which have imposed restrictions upon British marine insurance should be urged to remove them.	365
97	To the Agent-General	South Australia.	June 1	Informs him that Admiralty charts have been published showing the soundings taken by H.M.S. "Egeria," in connexion with the proposed cable.	367

Serial No.	From or to whom.	Colony.	Date.	Subject.	Page.
			1894.		
98	The Eastern Extension Telegraph Company.	—	June 2	Requests that Lord Jersey may be instructed that Her Majesty's Government consider that the existing cable system to Australia is entitled to a large share of consideration by the Conference; encloses copy of correspondence with the High Commissioner for Canada as to the accuracy of certain figures given by the Company.	367
99	To the Earl of Aberdeen.	Canada	June 6	States that Her Majesty's Government look forward with much interest to the meeting of the Conference; Lord Jersey will represent Her Majesty's Government, with certain defined powers, and he will be accompanied by Mr. W. H. Mercer of the Colonial Office.	372
100	To the Earl of Jersey	—	June 9	Conveys instructions for his guidance as the representative of Her Majesty's Government at the Ottawa Conference.	372
101	To Lloyd's - -	—	June 9	States that it is not intended that Her Majesty's representative should make any propositions or submit any resolutions to the Conference.	373
102	To the Eastern Extension Telegraph Company.	—	June 13	Suggests that any representations the Company may wish to make should be made direct to the Conference.	373
103	The Earl of Glasgow	New Zealand	May 19 (Rec. June 21.)	Forwards copy of a resolution passed at the Postal and Telegraph Conference, at Wellington, in favour of the establishment of a Pacific cable.	374
104	The Earl of Aberdeen	Canada	(Rec. June 29) (Telegraphic.)	Reports the favourable inauguration of the Conference.	375
105	Ditto - -	Canada	June 19 (Rec. July 5.)	Transmits copy of a Minute of Council nominating Sir A. P. Caron and Messrs. Mackenzie Bowell and George E. Foster as the delegates of the Canadian Government; Mr. Sandford Fleming to be associated with them in all matters relating to telegraphic communication.	375
106	Ditto - -	Canada	June 29 (Rec. July 12.)	Reports the proceedings at the opening of the Conference on 28th June.	376
107	To the Earl of Aberdeen.	Canada	July 16	Observes that the Secretary of State has perused with much interest the report of the proceedings at the opening of the Conference.	376

REPORT

BY

THE RIGHT HON. THE EARL OF JERSEY, G.C.M.G.,

ON

THE COLONIAL CONFERENCE AT OTTAWA,

WITH THE

PROCEEDINGS OF THE CONFERENCE

AND CERTAIN CORRESPONDENCE.

(A.)

THE EARL OF JERSEY to the MARQUESS OF RIPON.

MY LORD, London, August 21, 1894.

I HAVE the honour to report that I arrived at Ottawa on the 27th of June, in order to take part, under the authority given to me by your Lordship, in the deliberations of the Colonial Conference appointed to be held there on the invitation of the Canadian Government.

The Conference was opened on the 28th of June by his Excellency the Governor-General, who, in a cordial address of welcome, alluded to the unique character of the gathering.

The Premier, Sir John Thompson, in his no less warm greeting, struck the chord which I am happy to say vibrated throughout the proceedings when he said :—

" On this happy occasion these delegates assemble after long years of self-government in their countries, of greater progress and development than the colonies of any Empire have ever seen in the past, not to consider the prospects of separation from the Mother Country, but to plight our faith anew to each other as brethren and to plight anew, with the Mother Land, that faith that has never yet been broken or tarnished."

Speeches in acknowledgment were made by the representatives of the Imperial Government and of the Colonies of Tasmania, New South Wales, Cape Colony, South Australia, New Zealand, Victoria, and Queensland.

In the evening, the Canadian Commissioners to the Conference gave a banquet to the delegates and to a large number of Canadian gentlemen interested in political and commercial questions, and numerous speeches were delivered on this occasion respecting the general objects and business of the Conference.

There was a general feeling of satisfaction and pleasure at the meeting of the Conference, and there were many expressions of loyalty and devotion to the Crown, and of hope that the ties, both of interest and affection, between the Mother Country and her Colonies, and between the Colonies themselves, would be preserved and strengthened.

The presence of representatives from the Cape of Good Hope gave much gratification, and an allusion to the fact that it was Mr. Rhodes's wish that she should be so represented was received with much applause.

The correspondence and negotiations which led up to the Conference had been practically confined to Canada and Australasia, and it did not appear that the Cape was in a direct or immediate sense interested in its main objects. It was felt that this very circumstance made the representation of that Colony a gracious and significant act, and an evidence of the interest and sympathy which, on the score of national pride and solidarity, may be felt in one great Colony for the aims and aspirations of other portions of the British Empire. In the result, moreover, the Cape delegates were able to take a very useful part in the proceedings, and to make valuable and interesting suggestions.

I regret to have to add, in this connexion, that Mr. Hofmeyr was prevented by indisposition from attending the earlier sittings, but later on we had the benefit of his well-known ability.

Another circumstance which may be noted was that the meeting of the Conference suggested some references to the races which are united under the British flag.

The Chief Justice of the Cape commented on the two-fold character of the population of his Colony, and on the union which is being more and more cemented between the English and the Dutch. He was followed by the Canadian Premier, who bore striking evidence to the loyal conduct of the French-speaking Canadians, and by the Leader of the Opposition in Canada, M. Laurier—a gentleman of the French-speaking race, educated and trained, as he observed, on French systems—who expressed in the warmest terms the loyalty and gratitude to the British Crown of that important portion of the Canadian population.

I may also remark that the visit of the Australian delegates to Canada impressed them forcibly with the advantages which accrue from the federation of neighbouring provinces. Strong expression was given to this feeling by several of the delegates. Your Lordship is aware that the subject of federation has been much discussed in Australia, and that, though initial steps were taken to effect it, the problem has so far remained unsolved.

Without venturing to anticipate the eventual result, I think it is safe to say that the visit of the Australian delegates to Canada will give an impetus to the movement, and that the knowledge acquired of the details and working of the Dominion Constitution will be of great service to them in considering how federation can be effected in Australia.

On more than one occasion an indication of united Australasian opinion was lacking, and this, to a certain extent, made it impossible for the Conference to be as definite in its conclusions as was desirable upon those points which involved united Australasian support. In the event of its being considered advisable to carry out the resolutions agreed upon, this want of cohesion for the development of Australasian interests will stand in the way and may cause indefinite delays.

Before concluding these remarks on the preliminary proceedings, I should, perhaps, record my conviction that the sense of connexion and cohesion between the various parts of the Empire has been of late years steadily growing stronger. The great discretion which has been observed at home in connexion with the Colonies has inspired, and is continually augmenting, a feeling of confidence in, and respect for, the Mother Country which is commercially and politically beneficial.

The subsequent sittings of the Conference, which were conducted in private, commenced on Friday the 29th of June, and concluded on Monday the 9th of July.

The Hon. Mackenzie Bowell, P.C., Canadian Minister of Trade and Commerce, was unanimously elected President, and his able and courteous guidance was highly appreciated.

The discussions were substantially confined to the three subjects specified by the Canadian Government when inviting the Conference, viz., the construction of a submarine cable from Vancouver to Australia, the establishment of a quick mail service between Great Britain and Australasia viâ Canada, and the trade relations of the Colonies with Great Britain and with one another.

It may be convenient in reviewing the work of the Conference, to advert first to the question of commercial interchange, and to the legislation and treaties which may control it, and then to the steamship and telegraphic communications which are closely connected with these commercial projects.

I.—Trade Relations.

As regards the measures recommended with a view to the extension of trade within the Empire, the following resolutions were passed :—

(1.) "That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity including power of making differential tariffs, with Great Britain or with one another."

(2.) "That this Conference is of opinion that any provisions in existing treaties between Great Britain and any foreign Power which prevent the self-governing dependencies of the Empire from entering into agreements of commercial reciprocity with each other or with Great Britain, should be removed."

(3.) "Whereas the stability and progress of the British Empire can be best assured by drawing continually closer the bands that unite the Colonies with the Mother

Country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare:

"And whereas this co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products:

A. "Therefore resolved: That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries.

"Further resolved: That until the Mother Country can see her way to enter into customs arrangements with her Colonies it is desirable that, when empowered so to do, the Colonies of Great Britain, or such of them as may be disposed to accede to this view take steps to place each other's products in whole or in part on a more favoured customs basis than is accorded to the like products of foreign countries.

"Further resolved: That for the purposes of this resolution the South African Customs Union be considered as part of the territory capable of being brought within the scope of the contemplated trade arrangements."

These resolutions occasioned considerable discussion, but were eventually carried unanimously, except that the first part of the third resolution (marked A. above) was opposed by the votes of three (Australasian) Colonies as against five in its favour.

It was clearly the opinion of all the Colonial delegates that it is desirable that the Colonies represented should make arrangements with one another, and, if possible, with Great Britain, which would give British an advantage over foreign products, and that for this purpose any statutory or treaty provisions which stand in the way should be removed. It was felt by the delegates that, so far as might be possible, British subjects should take what they have to import from their own kindred rather than from foreign states.

As regards the Colonies themselves, this idea, so far as information possessed by the Conference went, does not appear to be attended by any very great difficulties, in respect of statutes and treaties. The Australian Colonies were precluded by the Constitution Acts granted to them from entering into any differential tariff agreements with one another or with any other country or place. That prohibition was relaxed by the Imperial Act of 1873, 36 Vict., chap. 22 to the extent of allowing them to conclude such arrangements with one another, but it remains in force as regards arrangements with other Colonies.

This statutory prohibition appears to be of a very exceptional, if not of unique, character. There is nothing in the statute book to prevent Canada, the Cape, or even the Crown Colonies from making differential conventions. The enactment with regard to the Australian Colonies remains therefore exceptional in character. The object of the first resolution is the removal of the statutory disability imposed on Australia. I understand that effect could be given to it by simply repealing the provisions in the Constitution Act or by extending the provisions of the Act of 1873 so as to enable the Australasian Colonies to grant tariff concessions to other British Colonies. It may be urged in favour of the request that it would only place the Australian Colonies on the same footing as all other Colonies. The Crown would, of course, retain its power of veto over all customs bills which might be passed with the view of carrying out any differential arrangements. No actual use whatever is being made at the present time of the liberty that was conceded to the Australasian Colonies in 1873 to make such conventions as amongst themselves, and the only conventions which are now in view are with Canada and possibly with the Cape.

Having regard to the character of the commerce contemplated, the conclusion of such arrangements would probably not materially affect the interests of Great Britain, and it may therefore be urged that the repeal of the provisions in question is free from any serious objection, either on constitutional or on commercial grounds.

In an appendix to this report a list is given of the particular articles which it was suggested might be exchanged between the Colonies represented.

To all this subject of interchange the general observation applies that the cost of the land freight would militate greatly against trade in bulky articles between Australasia and the Eastern Provinces in which most of the Canadian population reside. The distance from Vancouver to Montreal by the Canadian Pacific Railway is nearly 3,000 miles, and the heavy cost for carriage which is necessarily involved by so great a distance would obviously be to a large extent prohibitive. The population of British Columbia itself is only about 100,000. Upon the whole it does not seem probable that the existing trade between the Eastern Provinces and Europe would be materially affected by the extension of trade with Australasia.

It may also be remarked that several important articles in the annexed list are not subject to any customs duty. The protective system, which is, generally speaking, followed in the Colonies, does not call for duties on articles which are not produced locally, and the productions of Canada and Australasia are so different that it would seem natural and practicable to promote their exchange within those limits which the cost of freight admits. In the case of the Australasian Colonies the articles suggested are, substantially speaking, certain natural products which can be supplied there at a low cost and on an immense scale. These products are sold at a profit in Great Britain and other countries at a great distance, and could no doubt find a market in Canada. Increased facilities for carriage and correspondence are needed for this purpose.

It may, indeed, be argued that a discrimination against goods, the product of the Mother Country, would be likely to cause serious dissatisfaction in this country. But it was not suggested that there would be much new trade between Australasia and the Cape, and, as will be seen from the Appendix (*page* 18), the goods which are most likely to be the subjects of interchange between Australasia and Canada, and Canada and the Cape, are not of a nature to interfere seriously with British trade. I consider, therefore, that it will be a consistent and successful policy to recognise the reasonable nature of the request that the self-governing Colonies should have the power, subject to the veto of the Crown, to make such fiscal arrangements with each other as may seem to them most conducive to their commercial prosperity.

Attention may be drawn to the statement made by Sir H. Wrixon in moving this first resolution, that he did not wish the power of the Colonies to make treaties with foreign countries to be formally recognised, and in this he was supported by Mr. Suttor and Mr. Foster.

Mr. Suttor said : "Undoubtedly some of the leading men in the Australian Colonies "have claimed that they should have the power of making treaties direct with a foreign "nation. But I do not think that the great body of our public men in Australia would "agree to such a proposition as that, because we all feel, so long as we belong to Great "Britain, we must make all our appeals to a foreign Power through the proper authorities, "and those authorities are the Home Government."

Mr. Foster said : "I am of opinion that, so long as the colonial relation exists, the "power to negotiate our own treaties, while we are a part of the Empire, is unreasonable "and impossible. I think it would be the death-blow to unity. . . . . I am "entirely at one, and so are the people of Canada, as well as the Parliament of Canada, "with the sentiment that, as we are all parts of one country, and we are under that "one Imperial Government, the Imperial Power must negotiate with regard to these "treaties, but at the same time we have all the freedom that is necessary, and all the "voice that we could possibly desire."

Thus no support was given to the idea which has been mooted that power should be given to the Colonial Governments to enter into commercial treaties with foreign powers independently of the Imperial Government, and it is obvious that it stands quite apart from the proposal in favour of inter-colonial arrangements.

The resolution itself asks in effect for the repeal of the statutory disability and for commercial reciprocity within the Empire, and the discussion upon it went to some extent over the ground of the commercial relations between Great Britain and her Colonies.

The question was here first raised whether there was any prospect of obtaining preferential terms from Great Britain. The difficulty and even the possible danger of suggesting such a policy to Great Britain was stated by Mr. Forrest, who pointed out that it was just as much the interest of the Colonies to foster and extend the trade of England as to extend their own, and that—"With regard to all other countries, their "policy cannot be relied on. To-day they might admit our goods. Then another "ministry comes into power, and to-morrow our goods are excluded. But the policy of "England is continuous."

Mr. Thynne admitted the impossibility for the present of such a change in the policy of Great Britain, and pointed out that in that case the question was one as to "entering "into reciprocal treaties with dependencies who are more or less unlike in their "productions."

Mr. Foster agreed that at present no commercial reciprocity treaty could be expected with Great Britain, but suggested that if the time should come when England placed duties on goods, an advantage of 5 per cent. might be given to food stuffs from the Colonies in return for a similar concession to manufacturers in England.

Proceeding to the second resolution, it was understood that the ordinary "most-favoured-nation" clause in various treaties between Great Britain and foreign Powers would not preclude the conclusion of special preferential arrangements between the

Colonies or between a Colony and Great Britain. As against foreign Powers, in the absence of specific provision, the Empire is a whole or unit within which any fiscal arrangements may be made without infringing the concession involved in that clause.

There are, however, specific references to British Colonies in two treaties—that with Belgium of the 23rd of July 1862, and that with the German Zollverein of the 30th of May 1865—which place these two treaties on a special footing. The construction of these references has been questioned, but I feel satisfied that they do not preclude the making of preferential arrangements between the Colonies themselves without the special advantages accorded by one to the other being extended to Belgium and the German Zollverein.*

It seems, however, clear that they would have the effect of preventing Great Britain herself from sharing in any benefit which might be given by one Colony to another, though they would not prevent Great Britain from giving specially advantageous terms to the Colonies. Great Britain has, in fact, by these treaties bargained away her power to receive better terms in her Colonies in respect of her exports to them than are given to Belgium and the German Zollverein.

Now if the advantages of Colonial preferential arrangements are not wanted by Great Britain, that is, if she is willing to allow differential conventions between her Colonies without demanding for herself the benefit of the minimum tariff, it does not seem necessary to take any action with regard to these treaties. But if these advantages are desired, it would be necessary to consider whether effect could be given to the second resolution. The resolution was obviously prompted by consideration for the interests of the Mother Country.

This point was put forcibly by Mr. Fitzgerald in the following words: "I think I "may assume that that treaty would, while in existence, justify Belgium and Germany "in demanding the right to enjoy every concession granted between either of these "dependencies and Great Britain. If we were to ask our Parliament to consent to a "modification which would enable our trade relations, say, with Canada to be extended "and from that Great Britain were excluded, it would, I think, be next to impossible "to get its assent. . . . . If we are proposing to modify our tariff in order to "extend our commercial relations we must of necessity pray the Government to put an "end to the treaties which now give Belgium and Germany the right of coming in on "the most favoured clause if we include Great Britain. Without Great Britain being "included I see no chance of inducing the Parliaments of Victoria or Tasmania to "consent to such modification."

Without inferring that all the Colonies would endorse these statements, it was very manifest that a great desire was felt that the obstacles which at present stand in the way of including Great Britain should be removed.

The Canadian Government approached Her Majesty's Government in the same sense in 1892, but it was not then considered expedient to give a favourable reply. As, however, the abrogation of these clauses was again strongly pressed by the Conference, I feel bound to draw your Lordship's attention to the fact.

Her Majesty's Government will perhaps consider whether it would be possible, without denouncing the treaties, to induce the Belgian and German Governments to consent to the abrogation of the particular clauses specially referring to the British Colonies. It is hardly necessary to observe that these clauses are of a very unusual character; and with regard to the question of the consideration given for them, I may quote the words of the President: "There is nothing in either the German or Belgian "treaties that gives any advantage to Great Britain or Canada over other countries. ". . . . . We received no advantages from the treaties which exist at present "over any other nation in the way of tariff in either of these countries."

On the other hand, these treaties deal with important subjects besides tariffs, and grant advantages of which Colonial equally with British traders can avail themselves. It may be as well to mention that up to 1880 the Colonies were usually included in the commercial engagements made by Her Majesty's Government with foreign countries. Since then a Colonial article has been inserted in such treaties, stating that the stipulations are to apply to all the Colonies so far as the laws admit, except to India, Canada, Newfoundland, the Colonies of Australasia, the Cape, and Natal, but providing that the treaty shall apply to any of these Colonies which may give notice for this purpose. It

* Sir E. Grey stated in the House of Commons, on July 30, the general effect of the stipulations of the treaties to be: (1) that they do not prevent differential treatment by the United Kingdom in favour of British Colonies; (2) they do prevent differential treatment by British Colonies in favour of the United Kingdom; (3) they do not prevent differential treatment by British Colonies in favour of each other.

might be advisable that another article should be added, to enable any Colony to withdraw from the treaty at the date when it is terminable.

These two resolutions having dealt with the statutory and treaty difficulties standing in the way, the third resolution expressed the opinion of the Conference in favour of preferential arrangements (1) between Great Britain and her Colonies, and (2), pending such an event, between the Colonies *inter se*.

As has been remarked above, with reference to an earlier stage of the discussion, there was no general anticipation that under present conditions Great Britain would consent to put a tax on foreign produce in order to favour Colonial produce. The trade of Great Britain was acknowledged to be still increasing. It was indeed alleged that this increase is due solely to the Colonial trade; but Mr. Forrest corrected the statement by pointing out that the foreign trade of England has increased proportionately with the colonial trade. Mr. Fitzgerald observed: "We know that in the matter of wheat "England would never give us any advantage, for the simple reason that by doing so "she must increase the cost of the food of her people."

The perception of the difficulties in the way of preferential treatment on the part of Great Britain led to a difference of opinion among the delegates respecting that part of the resolution which related to this proposition. Mr. Suttor protested against the implied request that England should put a duty upon foreign goods.

Mr. Lee-Smith argued that on no account whatever "must we do anything in this "room which will in the slightest possible manner hamper Great Britain in her trade "relations with the world at large. Great Britain is a free-trade country; it must "necessarily continue to be a free-trade country if it is going to preserve that pre-"eminent position which it already holds, and which I hope it will always hold, in the "commercial affairs of the world." It was, however, urged, on the other hand, and especially by the Canadian representatives and by Mr. Playford, that a general customs arrangement between Great Britain and her Colonies was desirable. Mr. Playford said: "We are expressing an opinion to the Mother Country that she should treat her own "Colonies a little better than she treats foreign nations, and that she ought to give "them some slight advantage, the Colonies at the same time being willing to reciprocate "and give her an advantage over foreign countries. It will be a benefit that will be "appreciated on both sides; it will be an advantage to all of us; and I contend it "would be a very considerable advantage to the Mother Country in the long run, as "well as to the Colonies."

It was put, by way of general suggestion, that each part of the Empire should give British products from other parts an advantage to the extent of five or ten per cent. *ad valorem;* that is to say, to take the most obvious plan, the tariffs in the various Colonies would remain the same as at present against foreign countries, but a certain percentage of the charge would be remitted in the case of British imports. Thus there would be a maximum and a minimum tariff.

I did not consider myself authorised to make any observations on the merits of this proposal, but I drew attention to the relative proportions of the Colonial and foreign trade of the United Kingdom, and to the fact that three-fourths of the whole trade is outside the Empire.

It is an obvious consideration that the proposals would involve a fundamental change in the financial policy of Great Britain. A remission of duties in certain cases is of course easily effected in Colonies which possess a heavy customs tariff, as, for instance, when 25 per cent. is the ordinary charge; and it is proposed to reduce this in certain cases to 20 per cent. But in Great Britain the institution of a differential tariff would involve the special creation of a customs tariff against all foreign Powers in respect of the articles, whatever they might be, which would have to be favoured on importation from the Colonies. The proposal, in short, means in the Colonies the remission of existing taxation, but in Great Britain the creation of new taxation; not a mere variation in the existing machinery, but the introduction of a new system.

But though this change of policy in Great Britain may be neither necessary nor practicable under present conditions, it may be said that the general feeling of the Conference was that the question will assume a different shape as the population and commerce of the Colonies increase. To use Mr. Forrest's words, "This development is "coming, as certain as I am here to-day; and I think in the future the Colonies "of Great Britain—the Colony of Canada, the Cape, Australia, and other British "Possessions, will be capable of producing as much raw material, and consuming just "as much from England of her manufactures as the whole world is taking from her "to-day."

At present this consummation seems far off. I quoted certain figures which showed that the North American Colonies contribute only 2·7 per cent. of the trade of Great

Britain, Australasia, 7·5 per cent., and South Africa 2·2 per cent. Our imports from foreign countries in 1893 amounted to 313,000,000*l.*, or 77 per cent., whilst from the British Possessions the amount was 92,000,000*l.*, or 23 per cent. We find a market for two-thirds of our exports of British produce in foreign countries, and for one-third in British possessions, *i.e.*, 146,000,000*l.* to 72,000,000*l.* British Possessions in these figures include India. The imports from and exports to Australasia, in round figures, stand at 30,000,000*l.* and 15,000,000*l.* respectively.

But it seems very probable, not to say certain, that as time goes on these proportions will steadily and surely increase. A Colonial consumer is, it was said, worth more to Great Britain than six European consumers. "The Colonies," to quote Mr. Foster, "have all protected against the Mother Country, but none of them have protected as "the foreign countries have protected against her. You can take them and make an "average. Take the French tariff and compare it with the Canadian tariff. Take the "United States tariff and compare it with the Australian tariff. Take the German "tariff and compare it with the other Colonies. Look them through and through, and "when you come to read out results you will find that the protection is far lower in the "Colonies of Britain against British goods, taking it on an average, than it is in the "foreign countries."

This resolution undoubtedly expresses a desire widely entertained in the Colonies that their trade with the United Kingdom should be favoured as against that of foreign countries.

Canada, Australasia, and the Cape, with their exuberant products of food and raw material compared with their population, regard import duties with a very different experience from that of the United Kingdom, with its insufficiency of home-grown food, and the necessity for the free import of raw material for her industries.

It must be clearly understood that the representatives do not propose a real customs union, that is, the removal of customs barriers. On the contrary, the Colonies could not, as Mr. Suttor remarked, admit British goods free in return for free admission of their own goods. What is proposed is that the United Kingdom should create a new customs barrier against foreign produce, and in my opinion the conditions operating in Great Britain, in part indicated by the above statistics, would not admit of the acceptance of this proposition. But, as I have said, it would appear from the discussions, taking them generally, that there was no expectation of any immediate departure from the free-trade policy pursued by Great Britain. There was, however, a belief that the conditions of the case will in process of time undergo a change, and a desire, largely based upon friendly and loyal feelings towards the Mother Country, to find a means by which this change should be turned to account so as further to strengthen the ties between the various parts of the Empire. Whether the economic conditions will at some future time change as was anticipated is a question which need not be considered here, but no exception can be taken to the friendly and loyal spirit in which the whole subject was discussed.

The resolution that the South African Customs Union be considered as part of the territory capable of being brought within the scope of the contemplated trade arrangements was carried on the motion of Mr. Hofmeyr. The necessity, from his point of view, for this proviso arose from the fact that the Orange Free State, a foreign country, forms part of the South African Customs Union. This admission of a foreign country, by, so to speak, a side door to certain tariff advantages, is obviously a circumstance of additional complication.

Whilst, therefore, laying before your Lordship the views expressed and the resolutions passed, I feel unable to go further than to press earnestly the advisability of giving a favourable consideration to the unanimous request of the Conference for the removal of any restriction, treaty, or statutory, which stand in the way of inter-colonial trade. The power to make fiscal arrangements *inter se* may or may not be largely used, but in granting it to her self-governing Colonies Great Britain will be developing the policy long pursued of enabling them to make such use of their resources within the Empire as they think best, and experience has shown that this policy is the safest and most satisfactory mode of promoting their advancement. It is hardly necessary to add that anything which contributes to this end is also beneficial to British commerce and capital.

II.—Steamship Communication.

On the question of improved steamship communication the following resolutions were passed:—

(1.) "That the Conference expresses its cordial approval of the successful efforts put forth by Canada and New South Wales for the establishment of a regular monthly

steamship service between Vancouver and Sydney. And affirms the advisability of a reasonable co-operation of all the Colonies in securing the improvement and permanence of the same."

(2.) "That the Conference learns with interest of the steps now being taken by Canada to secure a first class mail passenger service with all the modern appliances for the storage and carrying of perishable goods across the Atlantic to Great Britain and the large subsidy which she has offered to procure its establishment."

(3.) "That it regards such an uninterrupted through line of swift and superior communication between Australasia and Great Britain as is above contemplated as of paramount importance to the development of inter-colonial trade and communication, and to the unity and stability of the Empire as a whole."

(4.) "That as the Imperial Post Office contributes towards the cost of the mail service between England and Australia, *viâ* Brindisi or Naples, the sum of 95,000*l.* per annum, while the sea postage amounts only to 3,000*l.*; and to the mail service between Vancouver and Japan and China, 45,000*l.*, less 7,300*l.* charged against the Admiralty; this Conference deems it but reasonable to respectfully ask that assistance be given by the Imperial Government to the proposed fast Atlantic and Pacific Service; more particularly as the British Post Office, whilst paying the large subsidy of 104,231*l.* a year to the line from Liverpool to New York, has so far rendered no assistance to the maintenance of a direct postal line between Great Britain and Canada."

These four resolutions express the desire of the Conference for a new line of communication between Great Britain and Australia *viâ* Canada. Already Mr. Huddart has with great enterprise started a line of steamships between Sydney and Vancouver. But at present it cannot be held to form part of a through communication, as the quick route for mails and passengers landed or taken on at Vancouver, is *viâ* New York. This is clearly an obstacle in the way of the success of the line. The Canadian representatives laid before the Conference a scheme for through communication of an Imperial character, by which mails and passengers could be carried from England to Quebec or Halifax, according to the time of the year, by the Canadian Pacific Railway to Vancouver, and from Vancouver to Australia by fast steamer and *vice versâ*. It was computed that this transit could be made from London to Sydney in 28 days.

Mr. Huddart is the author of this scheme, and his proposals may be summed up as follows:—

For a total annual subsidy of 300,000*l.*, four 20-knot ships could be provided to give a weekly service between Great Britain and Canada, and five of a speed of 16 knots to give a fortnightly service across the Pacific from Canada to Australia. This proposal, he stated, would require a capital of 3,000,000*l.* (with the smaller capital of 2,500,000*l.*, three Pacific steamers, instead of five, could be provided, giving a four-weekly service, but it will be better to deal with the larger and more complete scheme). For this scheme it is suggested that the subsidy of 300,000*l.* should be borne—175,000*l.* by Canada, 75,000*l.* by Great Britain, and 50,000*l.* by Australasia.

The Canadian Government are already paying 25,000*l.* a year towards the Pacific service, and have now agreed to pay, for a term of 10 years, 150,000*l.* towards the Atlantic service—thus making up the appointed subsidy of 175,000*l.*

At present the only subsidies received from Australasia in aid of the Pacific service are the sums of 10,000*l.* and 1,500*l.*, paid by New South Wales and Fiji respectively. To make up the balance of 38,500*l.* of the 50,000*l.* required from Australasia would apparently not be an easy matter. South Australia and Western Australia are not materially interested in the Pacific route, and are satisfied with the existing service: no contribution therefore, it appears, can be expected from them. Any substantial assistance from Victoria, Queensland, and New Zealand, would be more or less conditional on the Pacific vessels calling at ports in those Colonies; but to call at all three is considered to be out of the question.

As regards Victoria, Mr. Huddart said: "There is not much good calling at Mel-
"bourne, seeing that there are one or two trains a day and steamship connection with
"Sydney. Any subsidy that the Victorian Government has hinted at would not pay
"for the coal you use, taking a ship there and back." Upon that statement Sir H. Wrixon observed: "That puts us in the position of not being able to say anything
"definite in regard to the particular sum which we will subscribe," though he thought that the Victorian Government would propose some assistance to prevent the line from being discontinued, and that they would act liberally when the other mail contracts terminate.

Queensland has to consider the requirements of her northern portion, which is already served by the subsidised British India steamers. Mr. Huddart was willing that the steamers should call at New Zealand, but for that purpose would require more than the

10,000*l.* subsidy which that Colony offered; and in any case so considerable a divergence from the direct route would affect the efficiency of the line as a mail service between Australia and Great Britain.

The difficulties therefore will be great if each Colony stands out for its own separate interests. But perhaps a broader view of the matter will prevail, suggested by the general interests of Australasia. Mr. Lee Smith, on behalf of New Zealand, said: "I "shall be prepared to give the matter consideration from what I may term a federal "point of view. I recognise that New Zealand cannot be placed in a better position "than any other Colony." And then, in the same broad-minded spirit, he promised, on behalf of New Zealand, a special subsidy of 1,500*l.* from the Imperial point of view, even if New Zealand could not be made the last port of call.

This I venture to think is the attitude which ought to be adopted by the other Colonies. A quick first-class line of steamers through the Pacific is the most essential condition for the development of Australasian trade in that ocean and with Canada. As Sydney would be the chief port on the Australasian side, New South Wales might well be expected to give a larger subsidy than the others, but that Colony ought to be helped in its endeavour to create a line of communication which will most assuredly benefit the other Colonies in a greater or less degree.

It is estimated by Mr. Huddart that with the complete service proposed British mails could be delivered in Australia within 28 days, or in New Zealand (if that route is adopted) within 26 days. The present average time by the P. and O. and Orient Companies was stated to be about 34½ days to Sydney. The difference is, of course, considerable, but it has to be borne in mind that these companies could, if necessary, decrease the time now taken, and the Conference was reminded by Mr. Forrest that the P. & O. Company is now building a faster boat, and that others of a similar kind are projected.

It may also be observed that the new development of the export trade in such articles as butter and fruit makes cool, quick transit for freight an important consideration, and that therefore the Australasian Colonies will, in granting any future subsidy, have regard to cool, quick transit for produce as well as to the conveyance of mails. The proposed Atlantic steamers would, Sir A. Caron stated, have 3,000 or 4,000 tons of cool storage, so as to be able to carry perishable goods coming from the Australasian Colonies. But the two transhipments and long land transit over the Canadian Pacific Railway and other railways are of course serious difficulties in the way of through traffic by this route to Great Britain. At the same time (though no specific figures were quoted to the Conference) it was understood that the railway freights are very low, so that in the east of Canada the railways are able to divide the trade with the Erie Canal.

The present Australasian mail contracts have recently been renewed up to the 31st of January 1896, and may possibly be further renewed till 1898, so as to run out with the India and China contract. But as the ships which would be required for the proposed service have still to be built, the question should receive early consideration.

If a weekly mail service was secured across the Atlantic and a fortnightly across the Pacific, it might be practicable for Great Britain to divert to these purposes—for which the sum of 75,000*l.*, is asked from her—a part of the 104,000*l.* which, in round figures, is at present paid to the New York lines, and a part of the 95,000*l.* paid as the Imperial contribution for the weekly Eastern line. It is, however, only fair to the P. and O. and Orient companies to say that they have served Australia well, and deserve the fullest consideration at the hands of the Governments which now subsidise them. Mr. Playford was emphatic on this point, and I am happy to endorse his views. It would not be prudent to starve or endanger these excellent services.

Her Majesty's Government will naturally, in considering the application for an Imperial subsidy of 75,000*l.*, consult the expert advice at their command, with regard to Mr. Huddart's figures. I may observe that the total subsidy of 300,000*l.* does at first sight appear considerable in relation to a capital of 3,000,000*l.*, but the annual expenses connected with the maintenance of shipping property are very large in proportion to the capital invested.

The figures were not produced which would enable me to go into the question as to whether the subsidies demanded are or are not a reasonable price for the capital employed and the services rendered. They are probably not wide of the mark, and have been accepted by the Dominion Government so far as they, the largest contributors, are concerned.

Then the question presents itself whether the Imperial Government would obtain from the service adequate value for the subsidy of 75,000*l.* which is suggested as their proportion. The main arguments for the service, from the Imperial point of view, would be its rapidity for mails, and the circumstance that it would combine in one route through British territory and the high seas carriage to both North America and

Australasia. To these it may be added that the vessels would be built in accordance with Admiralty requirements, and would be available as armed cruisers in time of war.

The route to Canada is so much shorter than that to New York that it is anticipated that mails would be carried to Halifax in 36 and to Quebec in 24 hours less than to New York. Moreover, it is understood that they could thus be delivered in actually a shorter time than at present in New York itself, and in a considerably shorter time in Chicago and other places west. The service, therefore, could be adopted with advantage in respect of time for a large portion of the British mail to the United States, as well as to Canada and beyond.

If then, instead of the two weekly mails being both sent to New York by the Cunard and White Star Lines, one of them were sent by the proposed line to Canada, not only would certain political and naval advantages be secured, but about 52,000*l.*—half the poundage now paid yearly to the New York lines—would be saved, as the subsidised service would carry mail-matter free to the extent of the subsidy. Thus there would be a large set-off against the contribution of 75,000*l.* and the remainder would be still further reduced by the free carriage of any mails sent from Vancouver to New Zealand and Australia.

To these considerations it may be added that the fast Atlantic service would also shorten the mail time *viâ* Canada to China and Japan. To Shanghai the western route will probably become quicker than the eastern.

But it would not be necesssary to give a direct subsidy of 75,000*l.* in the ordinary sense of that term. Her Majesty's Government might, without granting an actual subsidy at all, effect the same result by the united action of the Post Office and Admiralty Departments. The former might give to the proposed service poundage to an extent not falling far short of 75,000*l.* a year, and this might be done mainly by diverting mails from vessels running to New York to vessels running to British ports, so that the arrangements made in respect of the eastern service would not be materially affected. The poundage would, of course, have to be earned under fixed conditions.

At present Great Britain is dependent on France and Italy for the quick conveyance across Europe, at considerable expense, of her mails to Australasia and the east, but by the proposed scheme she would secure an equally quick service over British territory and the high seas. Such a service would be free from the risks of interruption which necessarily attach to the existing eastern services.

The difference between the poundage and 75,000*l.* could be made up by an Admiralty subvention in each year of the required amount. The amount of subvention payable by the Admiralty to vessels complying with the necessary conditions is 9,000*l.* per annum in the case of vessels of 20 knots average continuous speed on open voyages—and 3,250*l.* in the case of vessels of 16-knot speed. Assuming that the proposed Atlantic vessels would come under the first category, and the Pacific vessels under the second—and these are the conditions in the Dominion contract—the total subvention on this basis would be 52,250*l.*, or, taking into account a reduction of 25 per cent. which is made in the case of vessels having a mail subsidy, about 39,000*l.*

No doubt a definite undertaking on the part of Her Majesty's Government would be considered essential by the promoters of the combined services, and the Admiralty might hesitate to make so large an addition to their list of subventioned vessels. In considering, however, whether any undertaking as is here suggested could be properly given, it should be urged on the Admiralty that not only would an addition be made to the number of steamers suitable for armed cruisers, (and those in the Pacific would appear to be specially valuable), but that by applying the system which they have adopted elsewhere, they would ensure the completion of this new Imperial highway, along which British soldiers, sailors, and stores could be conveyed in time of war to Hong-Kong and to the war vessels in the Pacific.

Should Great Britain see her way to make these concessions, she will have done her part in forging a strong link in the chain of Imperial communication.

I may repeat that Canada has made a definite promise of a subvention of 175,000*l.* for 10 years, which has received the approval of her Parliament.

For reasons already given, I am unable to state definitely to what extent the Colonies of Australasia will respond to the request made to them for help in starting a line from which they would apparently derive very great advantages.

Before leaving this part of the subject, I should perhaps make some reference to the question whether the ocean route to Canada is not attended with more difficulties from fog and icebergs than that to New York.

Your Lordship will be aware that this matter has been much discussed in a somewhat controversial spirit, and there would be little advantage in my attempting to enter into

the details of it in this report. I may, however, remark that thick fogs occur on the New York route, even in the height of summer, but that the fast steamers, relying on the frequent use of the foghorn to warn other vessels, and on the temperature of the water to indicate the vicinity of icebergs, do not materially slacken speed on that account. Any delay on account of fog would be more than counterbalanced by the comparative shortness of the open sea route. It counts for much as a practical fact that the Allan steamers have an excellent record for safety and punctuality, and the natural difficulties, it may be inferred, are not of such a dangerous character as to forbid the carrying out of this scheme.

III.—The Pacific Cable.

Five resolutions were passed by the Conference on this subject, viz.:—

(1.) "That, in the opinion of this Conference, immediate steps should be taken to provide telegraphic communications by cable, free from foreign control, between the dominion of Canada and Australasia.

(2.) "That the Imperial Government be respectfully requested to undertake at the earliest possible moment, and to prosecute with all possible speed, a thorough survey of the proposed cable route between Canada and Australia; the expense to be borne in equal proportions by Great Britain, Canada, and the Australasian Colonies.

(3.) "That it is for the interest of the Empire that, in case of the construction of a cable between Canada and Australasia, such a cable should be extended from Australia to the Cape of Good Hope; and that, for that purpose, arrangements should be made between the Imperial and South African Governments for a survey of the latter route.

(4.) "That in view of the desirability of having a choice of routes for a cable connexion between Canada and Australasia, the Home Government be requested to take immediate steps to secure neutral landing-ground on some one of the Hawaiian Islands, in order that the cable may remain permanently under British control.

(5.) "That the Canadian Government be requested after the rising of the Conference to make all necessary inquiries, and generally to take such steps as may be expedient in order to ascertain the cost of the proposed Pacific cable, and promote the establishment of the undertaking in accordance with the views expressed in this Conference."

It will be observed that these resolutions are of a somewhat general character, and that the Conference did not commit itself to any definite opinion on the numerous questions that arise as soon as the principle of the desirability of the cable has been admitted. This no doubt, appears unsatisfactory from the point of view of those who desire to see the solution of the question advanced with rapidity and certainty; but, while some individual views were put forward with much force and clearness, the general feeling was that, as the Conference was merely a consultative body, it was undesirable to do more than formulate the general objects, without hampering the future consideration of the subject by resolutions to which later information, or special convenience, might be opposed.

For instance (to take the principal point), it was considered useless to attempt any exact estimate of the cost of the undertaking—the crucial question upon which all others depend—until a satisfactory survey of the route had been made. Your Lordship is aware that at the conclusion of the Colonial Conference of 1887, Her Majesty's Government was requested to make a survey of the route for the proposed cable. Her Majesty's Government declined to undertake a special survey of the route until there was some immediate prospect of the necessary funds being forthcoming for laying the cable. The Admiralty were, however, at the time contemplating a general hydrographic survey of the islands and dangers on the route from New Zealand to Vancouver, and H.M.S. "Egeria," which was commissioned for that purpose in 1888, was instructed to obtain deep soundings in the course of her work which would furnish information as to the varieties of depth to be expected on the general line of the cable. In 1890, however, these surveys had to be discontinued, when they had only extended as far as the Phœnix Islands, as the services of the "Egeria" were required for more pressing hydrographic work elsewhere. The long stretch of waters between Vancouver and the Sandwich Islands or Fanning Island—the first link in the chain from the Canadian side—remains, for the purposes contemplated, virtually unexplored.

I should observe, in passing, that the discontinuance of the surveys was commented upon, and great disappointment was expressed by the delegates that the request of the Conference of 1887 had been so imperfectly met. It seemed, therefore, to the Conference

sufficiently clear that the first step to be taken was a survey of the route, so that the depth and character of the ocean bed should be ascertained, the position of the various islands fixed, and their suitability as landing-stages determined.

With these considerations before them, the Conference passed the second of the above resolutions. Your Lordship will observe that, whereas in 1887 Her Majesty's Government were asked in effect to undertake the survey at their own cost, the Conference proposes that the expense should be borne in equal proportion by Great Britain, Canada, and the Australasian Colonies.

The expense of the survey of the whole route, conducted by one vessel for a computed period of three years, has been estimated at home at 36,000*l*. It was, however, the desire of the delegates that the survey should be made as quickly as possible, and that for that purpose two or more vessels should be employed simultaneously.

I do not know whether the expense would be affected by such an arrangement, but I presume that much of the work contemplated would eventually be done in the ordinary course by the vessels which are constantly being employed in making surveys under the direction of the Hydrographical Department of the Admiralty, and therefore that a considerable part of the proportion of the outlay which, under the resolution of the Conference, would fall to Her Majesty's Government would only anticipate future expenditure.

Her Majesty's Government will, I trust, give full consideration to the request, and I need only add that they alone of the parties to the Conference possess the vessels which are required for the purpose, and that much disappointment will be felt if they decline to co-operate in the manner proposed in the execution of this preliminary step, should it be found indispensable.

It seems, however, desirable that further consideration should be given to the question whether survey is necessary before actual operations are commenced.

At the Colonial Conference of 1887, and in the subsequent correspondence, it was assumed that this was the case. Some doubt was expressed at the Ottawa Conference as to whether the partial surveys already made in the Pacific Ocean were not sufficient to render possible a fairly approximate estimate of the difficulty and cost of the work. This was the view taken by Mr. Lee Smith, who stated as an illustration that when the cable on the west coast of Africa was laid no survey was taken, but an allowance made for risks.

It appears that since 1887 the scientific resources connected with the laying of submarine cables have been so improved that, given a general knowledge of the depth, a previous survey is not now always required. On this point I will quote from a printed memorandum by Mr. A. Siemens, which was communicated to me after the close of the Conference. Mr. A. Siemens is well known as a distinguished member of one of the most important electrical firms in the world, and has very recently been successful in laying the last cable between Great Britain and America.

"With regard to the technical difficulties raised in 1887, it may not be out of place to consider that the necessity for a close survey of a cable route arises principally from the requirements of the engineer laying the cable, who has to know at every moment the exact depth of water into which the cable passes. The break power with which the cable is held back, and by which the per-centage of slack is regulated, has to be adjusted according to the depth of water in order to ensure an even distribution of the slack along the whole route of the cable. Such a distribution prevents accidents, economises cable, facilitates repairs; hence the usual practice is to lay cables only on routes where very frequent soundings have been taken, and in 1887 the experts consulted by the Imperial Government were not satisfied that the Pacific Ocean was sufficiently well explored for this purpose.

"During the last seven years the work of survey has steadily progressed, and at present it may be asserted that the route proposed at the Wellington Conference passes nowhere through water more than 3,500 fathoms deep.

"If the adjustment of the break power depended entirely on the knowledge acquired by soundings taken previously on the selected route of the cable, grave doubts might still exist whether the laying of the Pacific cable could be proceeded with without further information being obtained by carefully taking soundings over the exact route. Fortunately means have been devised to indicate to the breaksman continuously the per-centage of slack with which the cable is paid out, and thus it is possible to lay a cable over a route of which only the general features are known.

"This contrivance has been used with perfect success in the laying of six Atlantic cables, so that there is no doubt as to its performance realising its theoretical advantages. The depth of water met with in the Atlantic reaches 3,000 fathoms in several places

where the cables have been laid, so that there is no doubt about the possibility of laying the cable in 2,500 fathoms, or even more.

"To be sure it will be necessary to select a type of cable which combines great strength with light weight, but there is no difficulty in this either, as it has been possible to construct cables for the Atlantic which will carry 7,000 fathoms of their own length before they break.

"It may, therefore, be taken for granted that any technical obstacles which were apprehended in 1887 have now been overcome, and that the cable can be laid as soon as the financial question has been settled."

Her Majesty's Government will, I presume, consult their professional advisers on this point. The question was raised whether it would not be proper for the Conference to endeavour to settle the route which the cable should follow. From one point of view it may seem unreasonable to ask that the route should be surveyed without suggesting what that route should be. Several routes touching at different islands in the Pacific were before the Conference. As a general indication of their direction I will take two as types.

One route would be from Vancouver Island to Fanning Island, Fiji, Norfolk Island to Tweedmouth in Australia. This is a distance of 6,730 miles, and if a branch is made to connect it with with New Zealand, 415 miles would have to be added. This route is entirely through British territory.

The second route is from Vancouver Island to an island in the Hawaiian group, thence through the Gilbert and Solomon Islands to Bowen in Queensland. This route is about 6,300 miles.

But upon the whole it was felt that the balance of convenience was in favour of leaving these questions to stand over for future consideration. They appeared to depend largely on circumstances requiring expert information and advice, and the delegates thought it best to await any views or recommendations which Her Majesty's Government, with the valuable professional assistance at their command, may in due course be able to offer.

In connexion with this matter the fourth resolution may be noted. It was the decided wish of the Conference that the cable should, if possible, pass entirely through British territory whenever it touches the islands on the route. It was believed that the practical exigencies of the case, from an engineering point of view, might render it desirable that the cable should run from Vancouver to the Sandwich Islands, as this stretch is materially shorter than that to Fanning Island. In that case it would be desirable, if possible, that the exclusive use of one of the Hawaiian Islands should be obtained, in order that the cable might be as far as possible free from foreign control.

Necker Island, which lies about 400 miles from Honolulu, has been much mentioned as a possible landing-stage, but it does not appear to be suitable for that purpose. Captain King in his report of last May to the Hawaiian Government stated "there was "no water, no trees, no grass; to support life, supplies would have to be brought to "the island, including water, and the station there would be similar to that of a light-"house." Possibly some more suitable island might be found on the edge of the Hawaiian Archipelago.

The Conference was not, of course, in a position to arrive at any conclusion as to whether such an arrangement as that desired was practicable, but there was an impression that the Hawaiian Government was disposed to assist the project so as to secure for themselves the convenience of having cable connexion with the rest of the world.

The resolution should not, as I understand, be taken to mean that the Conference favours the Sandwich Islands route. Whether that route, or the alternative one to Fanning Island, should be taken, is left open. The resolution only expresses the desire that, whatever route is adopted, the cable should be under British control throughout.

I should, however, add that Mr. Foster expressed the opinion that the cable should go to Honolulu. Mr. T. H. Davies, representing the Chamber of Commerce of Honolulu, was given permission to make a statement to the Conference, and urged that the Sandwich Islands could supply considerable business to the cable if it touched there. He stated objections to the cable running by Necker Island, and recommended that the landing should be secured within the circuit of the Hawaiian Archipelago. There would no doubt be considerable commercial advantages in this course, but the resolution that the cable should be "free from foreign control" is in strictness adverse to it, and it exclusive British character would be changed.

I believe that there is no practical difficulty in laying the cable if Necker Island or one of the Sandwich Islands be used as one of the landing-places. The greatest depth

is apparently about 3,300 fathoms, and the Eastern Extension Telegraph Company have a cable laid at a greater depth between Java and Port Darwin. The Senegal-Pernambuco cable, also, is laid at a depth of more than 3,000 fathoms.

The difficulty will be to repair the cable. It is a serious operation in even 2,000 fathoms; but cables have been repaired in greater depths than 2,000 fathoms, and it cannot be said that they could not be repaired in more than 3,000 fathoms, although it would certainly be difficult and might involve the abandonment of very large pieces of the cable, and the laying of corresponding new sections.

If the bottom were even and soft, the great depth would be an advantage in the sense that the cable would be less liable to disturbance than in shallow water. There are, however, unknown risks in the direction of volcanic disturbances.

If it is considered that the commercial advantages of going to or near the Sandwich Islands are outweighed by the expediency of keeping the line away from foreign territory, it becomes necessary to consider whether it would be practicable to lay a cable from Vancouver to Fanning Island. Much difficulty has been felt from the fact that this is an unprecedented span of 3,232 knots, but I am not sure that it has not been over-estimated.

The chief matter which is affected by the distance between the stages is the rapidity of transmission. The speed of a telegraphic message varies inversely with the square of the length of the line. A type of cable which for 2,000 knots would give a speed of about twenty words a minute would only give about five words for a distance of 4,000 knots. This means in practice that a very long line, in order to furnish the necessary conducting power, would have to be furnished with more copper and gutta-percha than usual. The length of the span by the Fanning Island route would therefore materially affect the cost.

It is of course necessary to look forward to the question of the probable receipts and expenditure when the line is in working order, and much correspondence from opposing points of view and interest has passed. I regret that I cannot place before your Lordship a reliable statement as to the probable cost, expenses, and receipts. The figures mentioned at the Conference must, from the nature of the case, be problematical, and be taken subject to correction and variation.

The cost of a single cable from Vancouver to Australia may be roughly put down at 2,000,000*l.* Mr. Sandford Fleming, in his memorandum, calculated that the earnings of the cable would be, at 2*s.* per word across the Pacific (this would reduce charges between Australia and England to 3*s.* 3*d.* in place of 4*s.* 9*d.* as at present), 99,465*l.* in 1898*, and that there would be a progressive annual increase till in 1904 they would amount to 153,023*l.* The interest at three per cent. would be 60,000*l.*, the cost of working he put at 60,000*l.*, and the renewal fund at 32,000*l.* Thus in seven years from starting, there would be a balance of receipts and expenditure†.

If this statement should prove correct, the liability of the guaranteeing governments would rapidly diminish, and the undertaking would become self-supporting. The general opinion of the Conference was that, if the enterprise is undertaken with proper safeguards, it would entail little or no loss to the contributing or guaranteeing Governments. Of its value to commercial enterprise there was but one opinion.

The delegates, some of whom have had business experience of a very practical kind, considered that, having regard to the usual difficulties of diverting trade and to the established advantages and conveniences of existing channels, it would be impossible greatly to enlarge the dimensions of traffic across the Pacific until a cable had been constructed. Telegraphic communication is now an indispensable condition of commercial intercourse, and if that communication is impracticable, or if the rates are excessive, commerce cannot thrive.

It was believed that, if the direct cable were constructed, a great impetus would be given to the trans-Pacific trade, and that, therefore, the cable would not merely compete with the Eastern lines in respect of existing trade but would reap the benefit of a new traffic.

I must here state that the South Australian representative did not support the cable resolutions. Mr. Playford, in a very able speech, explained the position of his Colony.

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* The year 1898 is chosen, as it is expected that it would take three years to establish the cable.

† Since the Conference Mr. Fleming has made a new estimate, according to which, basing his figures on the average normal increase of telegraph business between the Australasian colonies and Europe, viz., 14 per cent. per annum for eight years, and calculating that the lower rate and new business by the proposed route would give an increase of 15 per cent., the gross earnings in 1898 would be 110,000*l.*, and in 1904 209,000*l.* He has also reduced his estimate for interest and working expenses to 90,000*l.*

In 1872 South Australia, at a cost of 506,000*l.*, erected the line across the continent to join the Eastern Extension Telegraph Company's cable at Port Darwin. He calculated the net loss for this service during 21 years at 293,000*l.* He submitted that South Australia and Western Australia, which has also made a junction with the system of the Eastern Extension Telegraph Company, were entitled to consideration from the other Colonies should a new cable be decided upon for Imperial or public purposes in order to make up any additional loss which might occur to them. He did not think that a new line was wanted for business purposes, and he considered that, if laid at all, the cable should be duplicated.

But he would not stand out, and his words are remarkable :—"At the same time my "Government wishes me to inform this Conference that if this cable is required for "Imperial and for public purposes for the good of the Empire, South Australia is not "going to stand in the way, and will support the cable. All we ask is this. That if "this cable is to be so subsidised by the various Governments our peculiar position shall "be taken into account, and anything that we may lose by the construction of this new "line of cable may be minimised as much as possible."

The other representatives felt that South Australia should be indemnified against further loss, but it was not settled in what way.

Sir Henry Wrixon said :—"We Australian Colonies ask for the cable ; we earnestly "desire it. We appreciate the increased advantage and the impetus to trade which "would result from the laying of a Pacific cable, because there is no doubt whatever that "a cable going through the Pacific, merely from the trade point of view, would be a "great assistance and tend to promote trade. It would enable us to enter into trade "negotiations with Canada and other places. What we are really anxious about is the "Imperial and national point of view. There is no doubt whatever that in case of war "it might be worth the whole of what this cable is supposed to cost to the Empire and "its dependencies if we could for a week have prompt and immediate information as to "the movements of an enemy ; and we know that with the present line of cable, in case "of war, communication would be most likely interrupted almost immediately. Though "a distant and far-lying portion of the Empire, we feel that we are part of the Empire, "and we dearly like to be sure that in case of difficulty we have a safe and certain "means of communication which we cannot have under the present telegraph system. "We might be able to have the cable entirely on British soil and entirely in seas under "the command of the English Navy. We take that to be a matter of the greatest "importance, and we are perfectly willing to contribute our *quota*." He referred to the cable laid between Queensland and New Caledonia, and pointed out the danger, if the present scheme should prove abortive, of France making and owning a cable across the Pacific, the first link of which has already been laid. It will be seen, therefore, that the Australasian Colonies are most anxious to obtain this new cable communication.

Adverting to the opinion that a duplicate cable is essential to the proper working of the communication, I must add that it would add very largely to the initial cost, and that its consideration can well be left till the present scheme has assumed a more definite shape.

Great stress was laid upon the value of the line for Imperial purposes, but the question of the strategical value of the line must be decided by experts. Diverse opinions appear to have been expressed by various authorities, and I am not qualified to join in the controversy.

I will only remark that I cannot understand how two different routes, one eastern, the other western, joining Great Britain and her Australasian Colonies, can fail at critical moments to be more useful than one ; and that it is a not unreasonable proposition that a cable, passing solely through British territory and waters comparatively secure from attack, must give greater strategical advantages than lines which pass through European or Egyptian territories, with their constant liability to warlike complications.

Considerable divergence of view was manifested at the Conference as to whether it was desirable that the cable should be laid by the contributing governments as a national undertaking, or by a private company with a government subsidy or guarantee. In favour of the first alternative it may be urged *inter alia* that certain expenses, such as those of promotion, are avoided by State ownership, and that the danger of amalgamation with other companies to the disadvantage of the public is precluded ; and in favour of the second, that a company would do the work and carry on the business more economically than a government body. The difficulty of a State control under the joint ownership of several responsible Governments cannot be disregarded.

This point, with other important matters of detail, such as the relative shares in the guarantee or subsidy to be undertaken by the several governments, was left undecided,

and indeed must remain so till the two main points of route and cost are settled. Once these are arranged definite agreements become possible. Should the preliminary inquiries prove satisfactory, Her Majesty's Government will be consulting the wishes of Australasia by taking further steps to mature the scheme.

Mr. Foster put his view of the commercial interest of Great Britain in these words :— "Now it may be said that Great Britain has small commercial interests in this line of "communication with the Australian Colonies. I think she has a large commercial "interest. She is the head and centre of the commerce of the world, and very much of "that commerce of which she is the head originates in those outlying dependencies, "and she returns the manufactured products over the whole world. Therefore, if "by the construction of these lines the cost of telegraph and cable is lessened to an "appreciable extent, as it may follow by the construction of this line, Britain's com- "mercial interest in the line is considerable after all. If you take the transactions in "number and amount which emanate from London or from Great Britain in the matter "of trade, you may find that they will come very largely up to the sum of those "which emanate from the Colonies or from Canada ; so she has a commercial interest "in Australasia. So I do not think we ought to consider this question alluding to "Great Britain simply as having Imperial or defensive interests in the matter."

The delegates, however, were not in a position to give any information as to the form or amount of the financial support which their respective Governments would be prepared to offer. They had received no instructions.

It may be said that it would not be just for the Governments to subsidize a new and competing line. The enterprise of the Eastern Extension Telegraph Company has conferred great benefits on Australasia, to which Mr. Lee Smith bore testimony. Whilst, however, admitting and admiring that enterprise, it cannot be conceded that it entitles the Company to the cable monopoly of Australasia. The new route is not proposed from mere motives of competition, in which case Her Majesty's Government would probably decline to take part, but from the conviction that commercial and Imperial interests demand its construction.

The British Government pays subsidies for cables to Bermuda, the Seychelles, Mauritius, and to certain British settlements and possessions in Africa. These places, it is true, were entirely without telegraphic communication before the subsidies were given, but not one affords a parallel case to that of the vast continent of Australia. The subsidy and guarantee paid by five Australasian Colonies to the Eastern Extension Telegraph Company amounted in 1892–3 to 53,363*l*.

By the fifth resolution the Canadian Government was requested to take steps to ascertain the cost of the proposed cable, and to press forward the preliminaries of the undertaking. It was understood that this resolution would be acted upon without delay.

The third resolution was moved by Sir C. Mills in an able and suggestive speech, in which he urged the importance, on Imperial defence grounds, of the line he advocated.

The recommendation that the cable should be extended from Australasia by way of the Eastern Colonies to the Cape is a large addition to the original proposal ; but the strong desire which was at every point evinced by the delegates to strengthen the bonds between all parts of the Empire caused them to view it in a favourable light. The proposal, which will no doubt receive due attention from Her Majesty's Government, is ancillary to the trans-Pacific scheme, and the consideration of it need not interfere with that question.

To complete this report of the proceedings I should mention that, on the motion of Sir H. Wrixon, the following resolution was carried :—

"That this Conference desires to call the continued attention of their respective Governments to the proceedings of the Colonial Conference of 1887 in regard to the bankruptcy and winding-up of companies, with a view to completing the necessary legislation upon the questions therein raised."

It was understood that no definite steps have been taken in this matter since 1887.

In this review of the proceedings of the Ottawa Conference, I have endeavoured to place before your Lordship the reasons and motives which inspired the resolutions.

The resolutions relate to trade and the assistants to trade, but a spirit runs through them the significance of which should not be ignored. Whilst they embody the views of business men, anxious to advance commerce, and of statesmen desirous of developing their countries, quite as distinctly do they show that the self-governing principle is in harmony with the Imperial instinct.

The first act of the Conference was to pass a loyal address to Her Majesty, and the discussions were all marked by a great regard for the position and interests of Great Britain.

The determination of the delegates to restrict their discussions to the subjects referred to them and to avoid extraneous matters was a marked feature of the Conference.

I have reported that it would, in my opinion, be advisable to extend the facilities already granted for inter-colonial trade. The response to this request rests solely with Her Majesty's Government.

The support which has been asked for the creation of a new mail service, and for a Pacific cable, is dependent to a great extent on the actions of Canada and the Australasian Colonies.

Canada, recognising that her central position will enable her to reap the most direct results of an improved Imperial service for mails, passengers, and goods, has come forward with an offer of assistance which is a splendid indication of the spirit and far-seeing patriotism of her ministers.

For the great purpose of advancing Imperial unity, she has proposed substantial pledges.

The special conditions of the Australasian Colonies have not enabled them to act so decisively. And yet on their action must depend the future of these proposals.

The Pacific cable and the steamship proposals aim at completing the Imperial girdle, with the consequent development of internal resources, by the inclusion of Australasia. Therefore the support given or withheld by her Governments must make or mar these schemes.

The assistance required from Her Majesty's Government towards the steamship communication can be easily rendered in the manner I have already suggested by means of mail poundage and without any more direct subvention than what is already paid by the Admiralty for the control, in case of war, of fast steamers.

The question of a Pacific cable is somewhat different, for in this case a guarantee or subsidy is required, and it may be held by some that the return to Great Britain is not sufficiently apparent. The exact amount cannot be stated, and further negotiations must take place after the questions dealing with the route, survey, and probable cost, have been settled.

I must, however, repeat that an alternate line of communication with Australasia and the Pacific should have strategic as well as commercial advantages. At a probably small annual cost Great Britain would be in a position to warn distant parts of her Empire in case of danger, and would at the same time be extending advantages to a commerce with which she is intimately connected.

In weighing matters of combined Imperial importance it is impossible to define the exact proportion of advantage which will accrue to each country or Colony. To attempt to do so would result in failure to carry out any Imperial scheme. If such a scheme is found to be based on sound and practical grounds, then it should be supported as likely to advance the interests of the Empire as a whole.

The success of commerce in any part of the Empire must have beneficial effects on this country.

I am impressed with the belief that the three proposals of the Ottawa Conference are sound, practical, and full of great Imperial advantages.

Commerce cannot be based on sentiment alone, but it is possible to clear away the snags and obstacles which may divert its stream into new regions. The Mother Country is asked to help in keeping clear the channels between her Colonies and herself, so that the flow of trade may be increased and the feeling of kinship uninterrupted. Never, perhaps, in our Empire's history has such an opportunity presented itself. The "passionate sentiment" of Canada, as Sir John Thompson so well described it, and the hopeful attachment of the growing Colonies of Australasia and the Cape, turn eagerly at this time to the Mother Country for some sign of her regard for their development.

Their leading statesmen appreciate the value of the connexion with Great Britain, and the bulk of their population is loyal. It is within the power of Great Britain to settle the direction of their trade and the current of their sentiments for, it may be, generations. Such an opportunity may not soon recur, as the sands of time run down quickly. There is an impatience for action which would be tried by delay, and most sadly disappointed by indifference to the proposals which are now brought forward.

A ready and generous consideration of them would be hailed with intense satisfaction.

I cannot conclude without expressing my sincere acknowledgment of the kindness and consideration which the delegates extended towards me, and which rendered my position both easy and pleasant.

Our Canadian hosts took every opportunity of showing their good feeling and hospitality.

I must also express my obligations to Mr. W. Hepworth Mercer, whose ready and intimate knowledge of colonial affairs was always willingly placed at the service of myself and the members of the Conference.

I enclose a copy of the official report of the proceedings, and also a copy of the advertisement issued by the Canadian Government calling for tenders for the construction of the Pacific cable, with a letter addressed by Mr. Sandford Fleming to the Canadian Minister of Trade and Commerce urging the issue of that advertisement.

I have the honour to remain,
Your Lordship's obedient servant,
(Signed) JERSEY.

APPENDIX.

It was suggested that Australasia might export to Canada the following products :—

(1.) Wool.

Upon the merino wool produced in Australia there is no duty in Canada, but there is a duty of 3 cents per lb. on the "cross-bred" wools which are largely produced in New Zealand and which are grown in Canada.

London is the great market for Australian wool, and if the proposed direct trade were established the effect would perhaps be to divert some of the wool now exported to it. But a large amount of wool is now sold in the Australian market, and shipped direct to its destination, and the cost of the trans-continental freight would militate against any material loss to London in respect of her exports to Eastern Canada.

Canada imports wool (unmanufactured) in almost equal quantities* from Great Britain and the United States. The United States are themselves largely supplied from Australia, and therefore the probable result of the contemplated arrangements would be some diversion from the United States.

The New Zealand delegate suggested a preferential duty in Canada in favour of woollen fabrics, such as are produced in his Colony.

(2.) Frozen Mutton.

The Canadian duty is 35 per cent. *ad valorem*, but it is believed that mutton could be sent from Australia to British Columbia and some further distance east, so as, after payment of this duty, to give a satisfactory profit to the producer. Mutton can be bought in the Colony of Victoria for 2 cents per lb., and in Vancouver the price is as high as 25 cents. When it is considered that frozen mutton can be conveyed from Australia to London at an inclusive cost of 2*d.* per lb., it is apparent that this belief is well founded. The President of the Conference gave it as his opinion that the frozen mutton could be conveyed as far east as Chicago, and yield a profit after paying the American duty.

Most of the mutton now consumed in British Columbia is said to come from Oregon.

(3.) Tinned Meats.

The Canadian duty is 25 per cent. *ad valorem*. Large quantities are consumed in British Columbia by the sealing fleet and campers and the naval station at Victoria. The supply comes from the eastern provinces and the United States. A great many of the boats, it was observed, are fitted out with canned meats from Chicago.

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* In 1892 the figures were: from Great Britain to the value of 575,427 dollars, from United States 682,365 dollars.

(4.) Raw Hides and Skins.

These are admitted free into Canada. They are chiefly supplied from the United States, who themselves import them from Australia and South America.

Tanned hides pay a duty, and it was suggested by the New Zealand delegate that this duty should be remitted, as he stated that skins cannot be properly tanned after being dried during export.

(5.) Hard Woods (Gums).

These woods would be useful as street blocks. There is no duty on the raw article (*i.e.*, if merely sawn or split).

(6.) Fruits.

Oranges, lemons, apples, and other fruit could be supplied during the Canadian winter. There are various duties on different kinds of green fruit.

The cost of transport to the eastern provinces would probably be prohibitive.

(7.) Butter.

The duty is 4 cents per lb. The retail price in British Columbia (32 to 35 cents per lb.) would yield a satisfactory price, but it is hardly anticipated that this article could be sent further east.

(8.) Sugar.

Under the new tariff sugar is admitted free up to 16 Dutch standard.

(9.) Tin.

No tin is produced in Canada, and the article is admitted free.

(10.) Gum.

The United States have hitherto been the principal customers in this article. There is no duty in Canada.

(11.) Flax.

This is admitted free in the unmanufactured state.

(12.) Wines and Brandy.

There are various duties.

The principal articles which it was suggested might be exported from Canada to Australia were the following :—

(1.) Paper.

Canada possesses every natural advantage for this article, and the Australasian delegates were much impressed with the Canadian paper manufactories.

To select two Colonies, New South Wales and Victoria admit printing paper free.

(2.) Cotton Goods.

Cotton in the piece is admitted free in both Colonies. Cotton goods are imported largely from Great Britain into Canada, but some (chiefly of a simple and special character) are manufactured locally.

(3.) Frozen Fish.

Fresh fish is free in both.

(4.) Hops.

(5.) Soft Woods.

These are specially required by Victoria, and must be obtained from the United States or Canada. They are admitted free into that Colony if undressed; in New South Wales there is a duty on rough timber of 1*s.* 6*d.* per 100 feet.

(6.) Matches.

Free in New South Wales; 6*d.* per gross, if in wooden boxes, in Victoria.

(7.) Agricultural Implements.

These are admitted free in Victoria; reapers and binders are free in New South Wales.

There is no doubt that some of the agricultural machines manufactured in Canada are very good and suitable for use in Australasia.

(8.) Carriages and Carriage Materials.

There are various duties on these articles.

(9.) Paints and Drugs.

Dry colours are free in Victoria, crude drugs free in New South Wales.

The articles which it was suggested the Cape might send to Canada are :—

(1.) Wool.

The kind produced in Cape Colony is admitted free. It is understood that the quality is at present inferior, and that therefore the Australasian articles would under present conditions hold the market; but efforts are being made to correct this shortcoming.

(2.) Wines.

There was at first an impression that the treaty recently concluded on behalf of Canada with France would make it necessary to concede to France any reduction of rates which might be given to the Cape. This was corrected by Mr. Foster, who explained that the treaty stipulated that any tariff advantages granted by Canada to any third Power should be enjoyed also by France, but that Cape Colony is not a "third Power," and therefore an arrangement could be made between Canada and the Cape altogether outside of this treaty.

This explanation was received with much satisfaction, as some of the delegates had apprehended that Canada had by this treaty precluded herself from giving, in certain articles, more favourable terms to the other Colonies than to France.

(3.) Fruit.

Sir H. de Villiers thought that the Cape could send fruit to the eastern side of Canada at a cheaper rate than Australia could. But the competition of the West Indies would be difficult to face.

On the other hand Canada could send to the Cape :—

(1.) Lumber.

Very large quantities will, it is believed, be wanted for the mining districts in South Africa. There is a duty of 2*d.* per cubic foot at present, but it was suggested that this might be taken off in favour of Canada, if corresponding advantages were given.

(2.) Agricultural Implements.

These are subject to a duty of 10 per cent. A considerable proportion are, it is understood, at present received from the United States.

(3.) Paper.

On this article the duty of 12 per cent. is levied, except on paper for printing, which is admitted free.

Enclosure No. 1 in (A.).

PROCEEDINGS

OF THE

COLONIAL CONFERENCE,

1894,

HELD IN OTTAWA, CANADA, FROM 28TH JUNE TO 9TH JULY 1894.

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MINUTES of PROCEEDINGS of the COLONIAL CONFERENCE held at OTTAWA, CANADA, *June* 28th—*July* 9th, 1894.

Senate Chamber, Ottawa, Canada,
June 28, 1894.

Pursuant to an invitation extended by the Government of Canada, and contained in an Order in Council of that Government, dated 7th of February, 1894 (*see* p. 353), the following Delegates presented themselves for conference, namely :—

The Right Honourable the Earl of Jersey, P.C., G.C.M.G., representing the Government of Her Majesty;

The Honourable Mackenzie Bowell, P.C., Minister of Trade and Commerce; the Honourable Sir Adolphe P. Caron, P.C., K.C.M.G., Postmaster-General; the Honourable George Eulas Foster, P.C., LL.D., Minister of Finance; and Sandford Fleming, Esq., C.M.G., representing the Government of the Dominion of Canada;

The Honourable F. B. Suttor, M.L.A., Minister of Public Instruction, representing the Government of New South Wales;

The Honourable Nicholas Fitzgerald, M.L.C., representing the Government of Tasmania;

The Honourable Sir Henry de Villiers, K.C.M.G., and Sir Charles Mills, K.C.M.G., C.B., representing the Government of the Cape of Good Hope;

The Honourable Thomas Playford, Agent-General, representing the Government of South Australia;

A. Lee Smith, Esq., representing the Government of New Zealand;

Sir Henry Wrixon, K.C.M.G., Q.C., Honourable Nicholas Fitzgerald, M.L.C., and Honourable Simon Fraser, M.L.C., representing the Government of Victoria; The Honourable A. J. Thynne, M.L.C., Member of the Executive Council, and Honourable William Forrest, M.L.C., representing the Government of Queensland.

The proceedings of the day were open to the public and were presided over by His Excellency the Governor-General of Canada, who delivered an address of welcome.

The Right Honourable Sir John Thompson, K.C.M.G., Premier of Canada, also delivered an address of welcome, and addresses, in reply, were delivered in the following order:—

Imperial Government.—The Earl of Jersey.
Tasmania.—Hon. N. Fitzgerald.
New South Wales.—Hon. F. B. Suttor.
Cape of Good Hope.—Sir Henry de Villiers.
South Australia.—Hon. Thomas Playford.
New Zealand.—Mr. Alfred Lee Smith.
Victoria.—Hon. Simon Fraser.
Queensland.—Hon. A. J. Thynne.

On motion of the Honourable F. B. Suttor, seconded by Sir Charles Mills, it was

Resolved: "That a Committee be appointed to prepare an Address of Congratulation, to Her Majesty the Queen, upon her having attained the fifty-seventh anniversary of Her Coronation.

"That the Committee consist of Honourable Mackenzie Bowell, Sir Charles Mills, Honourable Thomas Playford, Alfred Lee Smith, Esq., Honourable Nicholas Fitzgerald, Honourable Simon Fraser, Honourable A. J. Thynne, and the mover."

The Honourable F. B. Suttor, on behalf of the Committee, reported, and it was ordered that the address, as read, be engrossed; and that His Excellency be requested to transmit it to Her Majesty.

His Excellency then declared the day's proceedings ended, and announced that a meeting for business would be held next day, at 10.30 a.m., in the office of the Minister of Trade and Commerce.

Office of the Minister of Trade and Commerce,
Ottawa, June 29, 1894.

The first business session of the Conference was organised at 10.30 o'clock a.m.

The representatives present were the same as those present at the public session held on the previous day.

The Delegates filed their credentials.

A letter was read from Mr. Theo. H. Davies, dated Ottawa, June 27th, 1894, explaining the position which the Honolulu Chamber of Commerce expected that he should occupy in connection with the Conference. The letter was placed on file.

On motion of the Honourable Nicholas Fitzgerald, seconded by the Right Honourable the Earl of Jersey, it was unanimously.

"*Resolved*, That the Honourable Mackenzie Bowell be appointed President of the Conference."

The President then addressed the Conference.

On motion of Sir Adolphe Caron, seconded by the Honourable Mr. Suttor, it was

"*Resolved*, That the President's address be printed and distributed for the use of the delegates during the Conference."

In view of a statement made by the President that the death of a near relative would necessitate his absence on the following day, it was moved by Sir Charles Mills, seconded by the Right Honourable the Earl of Jersey, and

"*Resolved*, That this Conference presents its expression of profound sympathy and condolence to the President, the Honourable Mackenzie Bowell, in his lamented bereavement."

The Honourable Mr. Suttor gave notice that he would, on Monday next, move :—

"That in the opinion of this Conference immediate steps should be taken to provide telegraphic communication by cable, under sole British control, between the Dominion of Canada and Australasia."

Mr. Lee Smith submitted the following :—

"I beg to give notice that I will move an amendment to Mr. Suttor's motion—to the effect that the word 'Australasia' be struck out and 'Australia and New Zealand' be inserted in the place thereof."

Sir Henry Wrixon gave notice that on Saturday he would move :—

"That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity with Great Britain, or with one another, without foreign nations being entitled to share therein."

On motion of the Honourable Mr. Suttor, seconded by Mr. Lee Smith, it was unanimously

"*Resolved*, That in the business of this Conference the voting shall be by Colonies."

The President stated, for the information of the delegates, that he had entrusted the work of recording the proceedings of the Conference to Mr. Douglas Stewart, Private Secretary to the Premier of Canada, and Mr. J. L. Payne, his own Private Secretary, who would act in the capacity of Joint Secretaries of the Conference.

At the request of the Right Honourable the Earl of Jersey, it was agreed that Mr. W. H. Mercer, of the Imperial Colonial Office, be given permission to be present at the sittings of the Conference.

On motion of Sir Charles Mills, it was

"*Ordered*, That the Report of the Trade and Treaties Committee be laid on the table of the Conference."

The President laid on the table a report* recently prepared by Sir John Thompson, on the question of copyright in Canada.

On motion, it was

"*Resolved*, That the Honourable Sir Adolphe Caron be appointed Vice-President of the Conference."

The Conference adjourned at 1 o'clock.

Office of the Minister of Trade and Commerce, Ottawa,
June 30, 1894.

Conference resumed at 10.30 o'clock a.m.

DELEGATES PRESENT :

Imperial Government.—The Right Honourable the Earl of Jersey.
Canada.—Hon. Sir A. P. Caron, Hon. G. E. Foster, and Mr. Sandford Fleming.
New South Wales,—Hon. F. B. Suttor.
Tasmania.—Hon. N. Fitzgerald.
Cape of Good Hope.—Sir Henry de Villiers and Sir Charles Mills.
South Australia.—Hon. Thomas Playford.
New Zealand.—Mr. Alfred Lee Smith.
Victoria.—Sir Henry Wrixon and Hon. Simon Fraser.
Queensland.—Hon. A. J. Thynne and Hon. William Forrest.

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* Not printed.

In the absence of the President, the Vice-President, Sir Adolphe Caron, occupied the chair.

The Vice-President read a communication from Government House, Ottawa, conveying the following telegram from Her Majesty, in response to the congratulatory message forwarded by the Conference on the occasion of the fifty-seventh anniversary of Her Majesty's coronation:

"GOVERNOR GENERAL,
Ottawa, Canada.
From Windsor Castle.
My sincere thanks for your kind congratulations.
"V. R. I."

The reading of the telegram evoked enthusiastic applause.

A telegram was read from the Secretary of the Imperial Federationists of Edinburgh, Scotland, expressing satisfaction at the meeting of the Conference, and the hope that its labours might tend toward Imperial unity.

The Vice-President laid upon the table copies of Reports of the Trade and Treaties Committee of the Imperial Parliament, ordered at the last preceding meeting of the Conference.

Sir Henry Wrixon, in accordance with previous notice, made the following motion, which was seconded by the Honourable F. B. Suttor:—

"*Resolved*, That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity with Great Britain, or with one another, without foreign nations being entitled to share therein."

A discussion having arisen thereon, the mover and seconder, with the consent of the Conference, withdrew the resolution as submitted, and substituted the following:—

"*Resolved*, That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including power of making differential tariffs, with Great Britain or with one another."

After discussion, the resolution was unanimously adopted.

Hon. Mr. Fitzgerald gave notice that at the next sitting of the Conference he would move:—

"That this Conference is of opinion that the existing treaties between Great Britain and the German Zollverein, and with the Kingdom of Belgium, should be denounced and terminated as early as their conditions will permit, so far as regards the clauses therein specially naming British Colonies; and that Her Majesty's Government be requested to take the necessary steps with this object."

Sir Henry de Villiers gave notice that at a future sitting he would move:

"That, in the opinion of this Conference, any obstacles which may at present exist to the power of the self-governing dependencies of the Empire to enter into agreements of commercial reciprocity with each other, or with Great Britain, should be removed by Imperial legislation, or otherwise."

A letter from the Secretary of the Board of Trade, Toronto, was read, inviting the delegates to participate in an excursion to Niagara, and a banquet at Toronto, on Wednesday, July 11th.

It was agreed that the invitation be accepted.

The Conference adjourned at 1 o'clock p.m.

Office of the Minister of Trade and Commerce, Ottawa,
July 2, 1894.

The Conference resumed at 9.30 a.m., Sir Adolphe Caron, Vice-President, in the Chair.

DELEGATES PRESENT:

The Imperial Goverment.—The Right Hon. the Earl of Jersey.
Canada.—Sir Adolphe Caron, Hon. George E. Foster, Mr. Sandford Fleming.
New South Wales.—Hon. F. B. Suttor.
Tasmania.—Hon. Nicholas Fitzgerald.
Cape of Good Hope.—Hon. Sir Henry de Villiers, Sir Charles Mills.
South Australia.—Hon. Thomas Playford.
New Zealand.—Mr. Alfred Lee Smith.
Victoria.—Sir Henry Wrixon, Hon. Nicholas Fitzgerald, Hon. Simon Fraser.
Queensland.—Hon. A. J. Thynne, Hon. William Forrest.

The following telegram was read:—

"Hon. Mackenzie Bowell,

"Ottawa. "Epsom, June 30, 1894.

"I am anxious to express to you, as the President, the sympathy and interest with which I am watching the proceedings of the Conference, which should be of such happy augury for the future of the Empire.

"Rosebery."

It was agreed, that the character and extent of information respecting the proceedings which might properly be sent to the Governments represented at the Conference be left to the discretion of the delegates representing the respective Governments.

Hon. Mr. Suttor, pursuant to notice, moved:—

"That in the opinion of this Conference immediate steps should be taken to provide telegraphic communication by cable, under sole British control, between the Dominion of Canada and Australasia."

Sir Henry Wrixon seconded the motion.

Mr. Alfred Lee Smith moved, in amendment:—

"That the word 'Australasia' be struck out and the words 'Australia and New Zealand' be inserted in the place thereof."

Hon. Mr. Playford seconded the amendment.

After discussion, Mr. Smith withdrew his amendment, on the assurance that the motion was intended to embrace New Zealand in the word "Australasia," and that the matter of route for the proposed cable should stand for future deliberation; and he announced his intention to propose a resolution on the subject, at a later stage.

A discussion having arisen on the motion of Hon. Mr. Suttor, it was, on motion, of Hon. Mr. Playford, adjourned.

A letter was read from Mr. Theo. H. Davies, intimating that he desired to leave Ottawa in a few days, and asking if the Conference wished him to be present when cable and steamship matters were being discussed.

On motion of Hon. Mr. Foster, it was agreed that Mr. Davies be invited to attend the Conference, at its next session, for the purpose of giving his views in relation to cable and steamship matters.

Conference adjourned at 1 o'clock p.m.

Office of the Minister of Trade and Commerce, Ottawa,
July 3, 1894.

The Conference resumed at 10.30 o'clock.

Delegates Present:

The Imperial Government.—The Right Hon. the Earl of Jersey.

Canada.—Hon. Mackenzie Bowell, Sir Adolphe Caron, Hon. George E. Foster, Mr. Sandford Fleming.

New South Wales.—Hon. F. B. Suttor.

Tasmania.—Hon. Nicholas Fitzgerald.

Cape of Good Hope.—Hon. Sir Henry de Villiers, Sir Charles Mills.

South Australia.—Hon. Thomas Playford.

New Zealand.—Mr. Alfred Lee Smith.

Victoria.—Sir Henry Wrixon, Hon. Nicholas Fitzgerald, Hon. Simon Fraser.

Queensland.—Hon. A. J. Thynne, Hon. William Forrest.

By direction of the Conference, the President transmitted a reply to the telegram of the Right Honourable the Earl of Rosebery, dated June 30th.

The following is a copy of the reply so forwarded:

"Lord Rosebery,

"Foreign Office, London.

"The members of this Conference acknowledge with great pleasure your Lordship's kind telegram, received yesterday, and join in your hope that our deliberations may assist in assuring the continued unity and greatness of the Empire.

"Mackenzie Bowell."

Conference resumed the debate on the motion of Hon. Mr. Suttor:—

"That, in the opinion of this Conference, immediate steps should be taken to provide telegraphic communication by cable, under sole British control, between the Dominion of Canada and Australasia."

During the progress of the debate, Mr. Theo. H. Davies, a representative of the Chamber of Commerce of Honolulu, presented himself, in accordance with an invitation extended by the Conference, and delivered an address on the advantages of including Hawaii in any scheme of trans-Pacific cable or steamship communication which might be decided on.

After the withdrawal of Mr. Davies, the debate on the resolution of Hon. Mr. Suttor was resumed.

By consent of the Conference, Hon. Mr. Suttor withdrew his motion, as originally submitted, and substituted the following :—

Resolved : "That, in the opinion of this Conference, immediate steps should be, taken to provide telegraphic communication by cable, free from foreign control, between the Dominion of Canada and Australasia."

Sir Henry Wrixon seconded the motion.

A debate ensuing thereon, it was, on motion of Sir Charles Mills, adjourned.

Mr. A. Lee Smith gave notice that at a future sitting he would move :—

"That if the words 'Australasian Colonies' be used in any motions or amendments that may be brought before this Conference they shall mean the Colonies of Australasia and the Colony of New Zealand, but shall not be considered as intended to define any particular cable or mail route."

Conference adjourned at 6 o'clock p.m.

Office of the Minister of Trade and Commerce, Ottawa,
July 4, 1894.

The Conference resumed at 10 o'clock a.m.

DELEGATES PRESENT :

The Imperial Government.—The Right Hon. the Earl of Jersey.

Canada.—Hon. Mackenzie Bowell, Hon. Sir Adolphe Caron, Hon. George E. Foster, Mr. Sandford Fleming.

New South Wales.—Hon. F. B. Suttor.

Tasmania.—Hon. Nicholas Fitzgerald.

Cape of Good Hope.—Hon. Sir Henry de Villiers, Sir Charles Mills.

South Australia.—Hon. Thomas Playford.

New Zealand.—Mr. Alfred Lee Smith.

Victoria.—Sir Henry Wrixon, Hon. Nicholas Fitzgerald, Hon. Simon Fraser.

Queensland.—Hon. A. J. Thynne, Hon. William Forrest.

A communication was read from the Board of Trade of Hamilton, conveying an invitation to the delegates to visit that city.

The debate was resumed on the motion of Hon. Mr. Suttor :—

"That, in the opinion of this Conference, immediate steps should be taken to provide telegraphic communication by cable, free from foreign control, between the Dominion of Canada and Australasia."

The discussion having continued for some time, it was agreed that the debate stand.

Sir Henry de Villiers made the following motion :—

"*Resolved :* That, in the opinion of this Conference, any obstacles which may at present exist to the power of the self-governing dependencies of the Empire to enter into agreements of commercial reciprocity with each other, or with Great Britain, should be removed by Imperial legislation, or otherwise."

A discussion having arisen thereon, the motion was, by consent of the Conference, withdrawn.

Hon. Mr. Fitzgerald asked leave to withdraw his notice of motion on the records, namely :—

"That this Conference is of opinion that the existing treaties between Great Britain and the German Zollverein, and with the Kingdom of Belgium, should be denounced and terminated as early as their conditions will permit, so far as regards the clauses therein specially naming British Colonies ; and that Her Majesty's Government be requested to take necessary steps with this object."

By consent of the Conference, it was dropped from the order paper.

It was moved by Hon. Mr. Suttor, seconded by Hon. Mr. Fitzgerald, and

Resolved, without dissent : "That this Conference is of opinion that any provisions in existing treaties between Great Britain and any foreign power, which prevent the

self-governing dependencies of the Empire from entering into agreements of commercial reciprocity with each other, or with Great Britain should be removed."

Hon. Mr. Foster gave notice that, at next sitting, he would move that:—

"*Whereas:* The stability and progress of the British Empire can be best assured by drawing continually closer the bonds that unite the Colonies with the mother country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare;

"*And Whereas:* This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products;"

"*Therefore Resolved*: That this Conference records its belief in the advisability and practical possibility of a customs arrangement between Great Britain and her Colonies, by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries."

"*And further Resolved:* That, pending the assent of the mother country to such an arrangement in which she shall be included, it is desirable that the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take immediate steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries."

The Conference resumed the discussion of Hon. Mr. Suttor's motion:

"That, in the opinion of this Conference, immediate steps should be taken to provide telegraphic communication by cable, free from foreign control, between the Dominion of Canada and Australasia."

After debate, the motion was adopted without dissent; Hon. Mr. Playford being excused from voting.

Hon. Mr. Thynne moved:

(1.) "That, in the opinion of this Conference, it is very desirable that the construction and maintenance of the proposed cable from Vancouver to Australasia should be undertaken by the Governments of Great Britain, of the Dominion of Canada, and of the Australasian Colonies, as a joint national and public work."

(2.) "That the cost of its construction and maintenance should be borne in the following proportions, namely, Great Britain one-third, the Dominion of Canada, one-third, and the Australasian Colonies, one-third."

A discussion having arisen thereon, the resolutions were, with the consent of the Conference, withdrawn.

On motion of Hon. Mr. Foster, seconded by Sir Henry Wrixon, it was unanimously

"*Resolved:* That the Imperial Government be respectfully requested to undertake, at the earliest possible moment, and to prosecute with all possible speed, a thorough survey of the proposed cable route between Canada and Australia; the expense to be borne in equal proportion by Great Britain, Canada, and the Australasian Colonies."

On motion of Sir Charles Mills, seconded by Sir Henry De Villiers, it was unanimously

"*Resolved:* That it is for the interest of the Empire that, in case of the construction of a cable between Canada and Australasia, such cable should be extended from Australasia to the Cape of Good Hope; and that, for that purpose, arrangements should be made between the Imperial and South African Governments for a survey of the latter route."

On motion of Hon. Mr. Fraser, seconded by Hon. Mr. Fitzgerald, it was unanimously

"*Resolved:* That in view of the desirability of having a choice of routes for a cable connection between Canada and Australasia, the Home Government be requested to take immediate steps to secure neutral landing ground on some one of the Hawaiian Islands, in order that the cable may remain permanently under British control."

Mr. Lee Smith moved, seconded by Hon. Mr. Foster:

(1.) "That, in the opinion of this Conference, the most speedy and effective manner in which direct cable communication between Canada and Australasia, could be established, would be by inviting offers to carry out the work under conditions to be hereafter decided upon.

(2.) "That, with a view to this end, the Canadian Government be requested to solicit offers of plans, specifications and terms for alternative lines as indicated by the several proposals submitted to this Conference.

(3.) "That any tenders received be submitted for the consideration of the several Colonies interested, and that any expenses incurred be paid by the said Colonies jointly, according to their population.

(4.) "That in the event of the proposals not being satisfactory the several Governments take steps to carry out the undertaking as a national work."

A vote having been taken, the resolutions were declared lost.

On motion of Mr. Lee Smith, seconded by Hon. Mr. Foster, it was unanimously

"*Resolved:* That if the words 'Australasian Colonies' be used in any motions or amendments that may be brought before this Conference they shall mean the Colonies of Australasia and the Colony of New Zealand."

Conference adjourned at 6 o'clock, p.m.

Office of the Minister of Trade and Commerce, Ottawa,
July 5, 1894.

The Conference resumed at 10.30 o'clock, a.m.

DELEGATES PRESENT:

The Imperial Government.—The Right Hon. the Earl of Jersey.

Canada.—Hon. Mackenzie Bowell, Hon. Sir Adolphe Caron, Hon. George E. Foster, Mr. Sandford Fleming.

New South Wales.—Hon. F. B. Suttor.

Tasmania.—Hon. Nicholas Fitzgerald.

Cape of Good Hope.—Hon. Sir Henry de Villiers, Sir Charles Mills.

South Australia.—Hon. Thomas Playford.

New Zealand.—Mr. Alfred Lee Smith.

Victoria.—Sir Henry Wrixon, Hon. Nicholas Fitzgerald, Hon. Simon Fraser.

Queensland.—Hon. A. J. Thynne, Hon. William Forrest.

A communication was read from Sir John Robinson, Premier of Natal, expressing sympathy with the objects of the Conference, and regret that it had been found impossible to send a delegate from Natal.

The following resolution was submitted by Hon. Mr. Fitzgerald, seconded by Hon. Mr. Thynne:

"*Resolved:* That, in the opinion of this Conference, immediate steps should be taken for the construction of a cable from Australia to Canada, as far as the Colony of Fiji, to which place the survey is already completed, on a tripartite arrangement between Great Britain, Canada, and the Australasian Colonies."

After discussion, the resolution was withdrawn.

Pursuant to notice, it was moved by Hon. Mr. Foster, seconded by Sir Henry Wrixon that—

"*Whereas:* The stability and progress of the British Empire can be best assured by drawing continually closer the bonds that unite the Colonies with the mother country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare;

"*And whereas:* This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products;

"*Therefore Resolved:* That this Conference records its belief in the advisability and practical possibility of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries."

"*And further Resolved:* That, pending the assent of the mother country to such an arrangement, in which she shall be included, it is desirable that the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take immediate steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries."

(During the progress of the debate thereon, the Hon. Jan. Hendrick Hofmeyr presented his credentials and took his seat at the table of the Conference.)

It was moved in amendment by Hon. Mr. Hofmeyr, seconded by Sir Henry de Villiers:

"That this Conference, in view of the resolution on commercial reciprocity unanimously adopted on the 30th of June, deems it desirable, for the present, to leave the practical initiation of reciprocal customs arrangements to separate agreements between the Colonies and Great Britain, or any of them."

The discussion having continued, Hon. Mr. Foster obtained leave to withdraw his resolution, as first submitted, and substitute therefor the following :—

"*Whereas :* The stability and progress of the British Empire can be best assured by drawing continually closer the bonds that unite the Colonies with the Mother Country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare;

"*And whereas :* This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products;

"*Therefore Resolved :* That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries;

"*And further Resolved :* That until the Mother Country can see her way to enter into such an arrangement, it is desirable that, when empowered so to do, the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries."

Mr. Lee Smith gave notice that, at a future session, he would move :

"That this Conference take into consideration the question of a mail service between Canada and the Australasian Colonies."

Hon. Mr. Fitzgerald gave notice that, at a future session, he would move the following :

"*Resolved :* That this Conference is of opinion that a kindred Conference should be held in Australia within the next five years, or earlier should necessity arise ; as such meetings of British and Colonial Delegates tend largely to cement the cordiality of Imperial relationship, as well as to draw closer that commercial union which will be advantageous to the great and various interests of the Empire."

Conference adjourned at 6 o'clock p.m.

Office of the Minister of Trade and Commerce, Ottawa,
July 6, 1894.

The Conference resumed at 10.30 o'clock a.m.

DELEGATES PRESENT :

The Imperial Government.—The Right Hon. the Earl of Jersey.

Canada.—Hon. Mackenzie Bowell, Hon. Sir Adolphe Caron, Hon. George E. Foster, Mr. Sandford Fleming.

New South Wales.—Hon. F. B. Suttor.

Tasmania.—Hon. Nicholas Fitzgerald.

Cape of Good Hope.—Hon. Sir Henry de Villiers, Sir Charles Mills, Hon. J. H. Hofmeyr.

South Australia.—Hon. Thomas Playford.

New Zealand—Mr. Alfred Lee Smith.

Victoria.—Sir Henry Wrixon, Hon. Nicholas Fitzgerald, Hon. Simon Fraser.

Queensland.—Hon. A. J. Thynne, Hon. William Forrest.

Conference resumed the discussion of Hon. Mr. Foster's motion, as last submitted, namely, that;

"*Whereas :* The stability and progress of the British Empire can be best assured by drawing continually closer the bonds that unite the Colonies with the Mother Country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare;"

"*And whereas :* This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products;"

"*Therefore Resolved :* That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries;"

"*And further Resolved :* That, until the Mother Country can see her way to enter into such an arrangement, it is desirable that, when empowered so to do, the Colonies

of Great Britain, or such of them as may be disposed to accede to this view, take steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries."

In the course of the debate, Hon. Mr. Hofmeyr, with consent of the Conference, withdrew his amendment submitted at the previous session:

"That this Conference, in view of the resolution on commercial reciprocity unanimously adopted on the 30th of June, deems it desirable, for the present, to leave the practical initiation of reciprocal customs arrangements to separate agreements between the Colonies and Great Britain, or any of them."

It was moved by Hon. Mr. Hofmeyr, seconded by Sir Charles Mills, and

"*Resolved:* That for the purposes of this resolution the South African Customs Union be considered as part of the territory capable of being brought with the scope of the contemplated trade arrangements."

The debate having continued, it was suggested and agreed that in the submission of Hon. Mr. Foster's resolutions they should be voted upon *seriatim*.

The following was then moved by Hon. Mr. Foster, seconded by Sir Henry Wrixon:

"*Resolved:* That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries."

This resolution, having been submitted, was adopted on the following division:

Yeas:—Canada; Tasmania; Cape of Good Hope; South Australia; Victoria.—5.

Nays:—New South Wales; New Zealand; Queensland.—3.

It was moved by Hon. Mr. Foster, seconded by Sir Henry Wrixon, and

"*Resolved:* That until the Mother Country can see her way to enter into a customs arrangement with her Colonies, it is desirable that, when empowered so to do, the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries."

The preamble was then agreed to, and the resolutions, as finally amended, were submitted and adopted in the following terms:—

"*Whereas:* The stability and progress of the British Empire can be best assured by drawing continually closer the bonds that unite the Colonies with the Mother Country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare;

"*And whereas:* This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products;

"*Therefore Resolved:* That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries;"

"*Further resolved:* That until the mother country can see her way to enter into a customs arrangement with her Colonies, it is desirable that, when empowered so to do, the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries;

"*And further resolved:* That for the purposes of this resolution the South African Customs Union be considered as part of the territory capable of being brought within the scope of the contemplated trade arrangements."

Referring to the votes upon the foregoing resolutions, and also to the vote upon the motion of Hon. Mr. Hofmeyr, subsequently incorporated in those resolutions, Sir Henry de Villiers filed the following explanation of his position:—

"Sir Henry de Villiers desires it to be noted that, as he has no authority from the Orange Free State or other parties to the South African Customs Union, he does not vote on the motions."

Mr. Lee Smith withdrew the notice of motion filed by him at the last preceding session, and submitted the following in lieu thereof:—

"*Resolved:* That this Conference take into consideration the question of a mail service between Great Britain and Australasia, *viâ* Canada."

Conference adjourned at 1 o'clock, p.m.

Office of the Minister of Trade and Commerce, Ottawa,
July 7, 1894.

The Conference resumed at 10.30 o'clock a.m.

DELEGATES PRESENT:

The Imperial Government.—The Right Hon. the Earl of Jersey.
Canada.—Hon. Mackenzie Bowell, Hon. Sir Adolphe Caron, Hon. George E. Foster, Mr. Sandford Fleming.
New South Wales.—Hon. F. B. Suttor.
Tasmania.—Hon. Nicholas Fitzgerald.
Cape of Good Hope.—Hon. Sir Henry de Villiers, Sir Charles Mills, Hon. J. H. Hofmeyr.
South Australia.—Hon. Thomas Playford.
New Zealand.—Mr. Alfred Lee Smith.
Victoria.—Sir Henry Wrixon, Hon. Nicholas Fitzgerald, Hon. Simon Fraser.
Queensland.—Hon. A. J. Thynne, Hon. William Forrest.

Mr. Lee Smith obtained leave to have entered upon the minutes a resolution submitted by him at the last preceding session, and which, although not seconded and therefore not considered by the Conference, he desired to have recorded, as indicative of his views on the matter to which it refers.

The following is the motion so submitted:—

"That this Conference proceed to take into consideration the Customs tariffs of the various Colonies here represented, with a view to acquire such information as will enable the delegates to determine what reciprocities can be arranged, and thus be in a position to advise their respective governments accordingly."

Pursuant to notice, the following resolution was moved by Mr. Lee Smith and seconded by Hon. Mr. Foster:—

"*Resolved:* That this Conference take into consideration the question of a mail service between Great Britain and Australasia, *viâ* Canada."

A debate ensued thereon and the resolution was adopted. Sir Adolphe Caron gave notice that at the next session he would introduce a motion to give effect to the resolution.

In pursuance of an invitation extended by the Conference, Mr. James Huddart was introduced, and addressed the Delegates on the subject of the proposed swift steamship service between Great Britain and Australasia, *viâ* Canada.

Conference adjourned at 1 o'clock p.m.

Office of the Minister of Trade and Commerce, Ottawa,
July 9, 1894.

The Conference resumed at 10.30 o'clock a.m.

DELEGATES PRESENT:

The Imperial Government.—The Right Hon. the Earl of Jersey.
Canada.—Hon. Mackenzie Bowell, Hon. Sir Adolphe Caron, Hon. George E. Foster, Mr. Sandford Fleming.
New South Wales.—Hon. F. B. Suttor.
Tasmania.—Hon. Nicholas Fitzgerald.
Cape of Good Hope.—Hon. Sir Henry de Villiers, Sir Charles Mills, Hon. J. H. Hofmeyr.
South Australia.—Hon. Thomas Playford.
New Zealand.—Mr. Alfred Lee Smith.
Victoria.—Sir Henry Wrixon, Hon. Nicholas Fitzgerald, Hon. Simon Fraser.
Queensland.—Hon. A. J. Thynne, Hon. William Forrest.

A communication was read from the Manager and Secretary of the Montreal Exposition Company, suggesting the advisability of an Intercolonial Exhibition.

The President brought to the attention of the Conference a letter from the Secretary of the Decimal Association of London, addressed to the High Commissioner for Canada in London, urging that this Conference should pass a resolution in favour of the adoption of the Metric System throughout the British Empire.

In pursuance of an intimation given at the last preceding session, it was

Moved by Sir Adolphe Caron, seconded by Hon. F. B. Suttor :—

(1.) "That this Conference expresses its cordial approval of the successful efforts put forth by Canada and New South Wales for the establishment of a regular monthly steamship service between Vancouver and Sydney, and affirms the advisability of the reasonable co-operation of all the Colonies interested in securing the improvement and permanence of the same;

(2.) "That the Conference learns with interest of the steps now being taken by Canada to secure a first-class fast mail and passenger service, with all the modern appliances for the storage and carrying of perishable goods across the Atlantic and Pacific to Great Britain, and the large subsidy which she has offered to procure its establishment;

(3.) "That it regards such an uninterrupted through line of swift and superior communication between Australasia and Great Britain as is above contemplated as of paramount importance to the development of Intercolonial trade and communication, and to the unity and stability of the Empire as a whole;

(4.) "That as the Imperial Post Office contributes towards the cost of the mail service between England and Australia, *viâ* Brindisi or Naples, the sum of 95,000*l.* per annum, while the sea postage amounts to only 3,000*l.*; and to the mail service between Vancouver and Japan and China 45,000*l.*, less 7,300*l.* charged against the Admiralty; this Conference deems it but reasonable to respectfully ask that assistance be given by the Imperial Government to the proposed fast Atlantic and Pacific service; more particularly as the British Post Office, whilst paying the large subsidy of 104,231*l.* a year to the line from Liverpool to New York, has so far rendered no assistance in the maintenance of a direct postal line between Great Britain and Canada."

After discussion, the resolution was adopted without dissent.

It was moved by Hon. Mr. Thynne, seconded by Sir Henry Wrixon, and unanimously

"*Resolved:* That the Canadian Government be requested, after the rising of this Conference, to make all necessary inquiries, and generally to take such steps as may be expedient, in order to ascertain the cost of the proposed Pacific cable, and promote the establishment of the undertaking in accordance with the views expressed in this Conference."

It was moved by Sir Henry Wrixon, seconded by Hon. Mr. Fitzgerald, and unanimously

"*Resolved:* That this Conference desires to call the continued attention of their respective governments to the proceedings of the Colonial Conference of 1887 in regard to the Bankruptcy and Winding up of Companies with a view to completing the necessary legislation upon the question therein raised."

Moved by Sir Henry Wrixon, seconded by Hon. Mr. Fitzgerald, and

"*Resolved:* That the Chairman be requested to forward the resolutions and proceedings of this Conference to the Right Honourable the Secretary of State for the Colonies, and to the Premiers of the Colonies represented; and to take such steps as may be necessary for calling continued attention thereto."

Pursuant to notice, it was moved by Hon. Mr. Fitzgerald, seconded by Hon. Mr. Fraser :—

"That this Conference is of opinion that a kindred Conference should be held in Australia within the next five years, or earlier should necessity arise; as such meetings of British and Colonial delegates tend largely to cement the cordiality of Imperial relationship, as well as to draw closer that commercial union which will be advantageous to the great and various interests of the Empire."

A discussion having ensued, the motion was, by consent, withdrawn.

On motion of Hon. Mr. Foster, seconded by Hon. Mr. Suttor, the unanimous thanks of the Conference were conveyed to the Right Honourable the Earl of Jersey for his attendance, and for the valuable advice and assistance which his Lordship has been good enough to give during the Conference.

On motion of Lord Jersey, seconded by Sir Henry de Villiers, the thanks of the Conference were tendered to the President for the able manner in which he had discharged the duties pertaining to his position.

On motion of Hon. Mr. Thynne, seconded by Mr. Lee Smith, a resolution of thanks was tendered to Messrs. Stewart and Payne for their courtesy and attention, and for the efficient discharge of their duties as Secretaries of the Conference.

DOUGLAS STEWART,
J. LAMBERT PAYNE,
Joint Secretaries.

THE COLONIAL CONFERENCE.

The opening Ceremonies in the Senate Chamber at Ottawa, Canada.

Senate Chamber, Ottawa,
June 28, 1894.

Pursuant to an invitation extended by the Government of Canada, and contained in an Order in Council of that Government dated 5th of February 1894 (*vide* page 353), the following delegates presented themselves for Conference, namely :—

The Right Honourable the Earl of Jersey, P.C., G.C.M.G., representing the Government of Her Majesty ;

The Honourable Mackenzie Bowell, P.C., Minister of Trade and Commerce ; the Honourable Sir Adolphe P. Caron, P.C., K.C.M.G., Postmaster-General ; the Honourable George Eulas Foster, P.C., LL.D., Minister of Finance ; and Sandford Fleming, Esq., C.M.G., representing the Government of the Dominion of Canada ;

The Honourable F. B. Suttor, M.L.A., Minister of Public Instruction, representing the Government of New South Wales ;

The Honourable Nicholas Fitzgerald, M.L.C., representing the Government of Tasmania ;

The Honourable Sir Henry de Villiers, K.C.M.G., and Sir Charles Mills, K.C.M.G., C.B., representing the Government of the Cape of Good Hope ;

The Honourable Thomas Playford, Agent General, representing the Government of South Australia ;

A. Lee Smith, Esq., representing the Government of New Zealand ;

Sir Henry Wrixon, K.C.M.G., Q.C., Honourable Nicholas Fitzgerald, M.L.C., and Honourable Simon Fraser, M.L.C., representing the Government of Victoria ;

Honourable A. J. Thynne, M.L.C., member of the Executive Council, and Honourable William Forrest, representing the Government of Queensland ;

Mr. Theo. H. Davies, representing the Chamber of Commerce of Honolulu, Hawaii.

The proceedings of the day were open to the public and were presided over by His Excellency the Right Honourable Earl of Aberdeen, Governor General of Canada, who delivered an address of welcome as follows :—

Lord Aberdeen.—The most cordial expressions to which utterances can be given will be needed in order adequately to convey the heartiness of the greetings which I desire to offer to you, gentlemen, on your arrival on this most interesting and memorable occasion. For your own sake, for the sake of the countries which you represent, for the sake of the Empire which those countries compose, for the sake of the work which has brought you here, I say, welcome to Canada, welcome to Ottawa. (Cheers.) And although this is the earliest opportunity for offering to you officially and collectively these assurances, I venture to hope that ere now, since your arrival on Canadian soil, you have observed indications of the fact that, in endeavouring thus to bid you a most cordial welcome, I am only voicing or endeavouring to voice, the sentiments and the purpose of the Canadian Government and the Canadian people. (Loud cheers.) I trust, therefore, that you will have reason to form the opinion that there will be no cause to regret that Canada, and Canada's official capital, have been selected for the place for holding the meetings of this Conference. That such should have been the arrangement is certainly both natural and appropriate, not merely because of the fact that the idea and suggestion of holding this Conference emanated from here, but also because of the position, geographical and otherwise, which Canada occupies in the British Empire ; and not only so, but because of the use which has been made by the people of Canada of that position, in developing the resources of Canada itself, and in carrying out enterprises of vast and gigantic character, which cannot fail to be of the deepest and most permanent interest and importance to the Empire as a whole. (Cheers.)

This occasion, gentlemen, is in no small degree unique. There have been conferences similar in some respects to that which we are now about to inaugurate, but these we may say, have been rather precursors than precedents, because of the distinctive characteristics which I make bold to say will characterize your proceedings and the result of those proceedings. The objects of your meeting are sufficiently well defined. I say "sufficiently," because if, on the one hand, there had been an attempt to lay down with rigid precision a programme which it might be proposed that you should follow, it might have had a hampering effect in your discussions and conclusions. If, on the other hand, too wide a margin had been left, there might have been an inevitable tendency to diffuseness of discussion, and a want of practical result; but, as I say, the objects before you, the development and increase of trade within the Empire, and the means which may be taken to carry out such an extension, undoubtedly furnish a topic which cannot fail to produce the most significant and valuable discussions and recommendations in the direction which we all desire to pursue. (Cheers.)

I think also that the coming together of representative men from all parts of the Empire to discuss such matters is in itself of no small value, and I apprehend that to this, among other features of the Conference, we may attribute the steadily increasing recognition of the importance of this occasion, which we have observed in process during the past few months. And, gentlemen, when we speak of the value of meeting in Conference to exchange ideas and to formulate views, those who have had any opportunities of travel, cannot fail in an especial manner to realise the advantage of such opportunities of contact with those in the case of whom such an opportunity must be of value. If, for example, one has had the opportunity, as regards Australasia, of visiting the splendid harbour of St. George, of inhaling the healthy breezes of Adelaide, of traversing the spacious and busy thouroughfares of Melbourne, of exploring the mines of Ballarat, of admiring the exquisite surroundings and the noble harbour of Sydney, of resting in the delightful island of Tasmania, or of contemplating the wonderful scenery and resources of New Zealand, it is not only the externally imposing and interesting features that bring value to such an experience, but it is the opportunities afforded such occasions for meeting the leading men of these countries and of learning their views in regard to the affairs of their Colonies, and of the Empire as a whole. This is the special value of such meetings, and, therefore, though we cannot all at once have the opportunities of seeing for ourselves what the Empire means, we can at least seize the occasion of meeting those who come from all parts of its world-wide territories, and who can by their own valuable experience, their own ability, convey to those who wish to learn what is really involved in the expression—the interests of the British Empire. (Cheers.)

Again, when we speak of travelling, I must not forbear alluding to the fact that probably no small part of the success which we may already say has attended the preparations at least for this Conference is due to the fact that a highly esteemed Canadian statesman, the Hon. Mackenzie Bowell, has travelled through a large part of Australia, accompanied by Mr. Sandford Fleming, and was thus able personally to come in contact with leading men of the Australian Colonies and others, and to shape views and ideas regarding the advisability of holding a Conference and the results which would accrue from such a gathering.

There are just two other points to which I wish to refer as illustrating the representative, and, therefore, the far-reaching, character of this gathering. We note the presence here of distinguished members from a colony one geographical feature of which is so notable in history and in contemporary affairs that among the innumerable headlands of the world one alone can claim the distinctive designation of "The Cape." We rejoice to see the representatives of Cape Colony, because in that, as in other ways, we observe how comprehensive is this gathering. (Cheers.)

The Imperial Government, the central Government of Her Majesty the Queen, have shown their sense of the value of this occasion by intrusting their representation to a statesman whom I claim as a personal friend of my own, and whom all the more I rejoice to see here to-day, the Earl of Jersey. (Cheers.) The Earl of Jersey combines the experience of a British statesman with that of a colonial administrator, and a successful administrator. (Loud cheers.) And, therefore, it is clear that they attach importance to the nature of the proceedings here and are determined to recognise it. It may have been expected by some that the British representative was to come here in a different capacity from the other delegates. In one sense, that may be so; but we cannot help observing that the fact of a representative of the British Government coming here to listen, to observe, to report, and as far as he may find occasion to

do so, to take part in the discussions, is most significant, and cannot fail to bear fruit. (Cheers.)

In conluding these general observations, such only being suitable for this stage of the proceedings, may I be permitted to express the earnest hope that from the one ever effectual source of wisdom and justice, your deliberations may be fraught with benefit to the British Empire and to the world at large. (Loud cheers.)

Lord ABERDEEN.—I shall now ask Sir John Thompson, Premier of the Dominion, to address you.

Sir JOHN THOMPSON.—After the address which your Excellency has made, little remains for me but to express, in a few words, the heartiest of welcomes to the delegates assembled, on behalf of the Canadian Government, the Canadian Parliament, and the people of this Dominion. (Applause.) Your Excellency, I can assure the delegates who are assembled, that the Canadian people, filled with zeal for the greatness and development of their own country, and for the strengthening of the Empire, are delighted to see the kindlings of the same ambition in the sister Colonies throughout the world. (Applause.) While entertaining these opinions, the people of Canada rejoice that the business for which the delegates are assembled on this occasion is not necessarily connected with our relations with foreign countries—not necessarily connected with considerations of peace or war—but is immediately concerned in all those questions which relate to the increase of commerce, the cultivation of the arts of peace and the promotion of civilisation and prosperity generally throughout the Colonies of the Empire. We realise fully that the questions which you shall have to deliberate upon are questions requiring the greatest care and the closest examination of details. When we are to consider questions relating to the promotion of trade between the different Colonies, trade with the mother country, the facilities of communication throughout the different portions of the Empire, we realise that, while there is ample field for patriotism and loyalty, methods of business have to be followed. Matters connected with trade, with tariffs, with steamboats, and with telegraphs, will require the most practical as well as the most patriotic deliberations of the gentlemen who are assembled to-day. That they may be guided to useful conclusions with regard to all these matters is one great ambition to-day of every portion of the Canadian people among whom they are assembled. The great object of our hope is that, as a result of the deliberations of the Conference, the ocean which divides the Colonies shall become the highway for their people and their products. (Applause.) Your Excellency has recalled some conferences between Colonies which have preceded this, although hardly furnishing examples for it. We cannot but recall, on this occasion, that conferences have taken place between Colonies, at which they deliberated, after years of great development and progress, whether the relations which bound them within the Empire were not too restrictive for their future progress, and whether the time had not come when a separation should take place from the motherland. On this happy occasion, these delegates assemble after long years of self-government in their countries, of greater progress and development than the Colonies of any Empire have ever seen in the past, not to consider the prospects of separation from the mother country but to plight our faith anew to each other as brethren and to plight anew, with the motherland, that faith that has never yet been broken or tarnished. (Loud applause.) Under these circumstances, your Excellency, I beg to express, as your Excellency has done on our behalf, a cordial welcome to the delegates who are assembled, and the hearty aspirations of the people of Canada that their deliberations may result in wise and practical conclusions, which shall have the effect of binding the Colonies together in greater strength, and of making the people of the motherland feel that the Empire is becoming greater and stronger, with the growth and development of the British Colonies throughout the world. If such a result shall have been reached, it will indeed be a happy conclusion to a most auspicious gathering; and I may express another sentiment: that the happy circumstances which have called this Conference together will be but the prelude of occasions on which we shall not only meet in Canada the statesmen of the other Colonies, but on which we shall be able to meet, with greater facilities than we now possess, the people whom they represent. (Loud applause.)

Lord ABERDEEN.—Permit me now to call upon the Earl of Jersey, representing the Imperial Government.

The Earl of JERSEY.—Your Excellency, Sir John Thompson, and gentlemen. The first words which spring to my lips on this bright occasion are those of thanks and congratulation—thanks for the welcome which you have accorded to the representative

of Great Britain, congratulation on the prospect which lies before Greater Britain. The historian loves to mark epochs in a country's history by well defined events; unfortunately those events have too often been of a hostile or aggressive character. We believe that we are on the threshold of an epoch whose chief characteristic will be the discussion of peace-tending principles, and not the clash of discordant or hostile elements; for, whatever may be the immediate result of this Conference, we know that we are taking a great step forward, and we hope it is towards a brighter future. The student indeed may wonder and say that there has been no precedent for a meeting of this character. We know that there has been no precedent in past history, but we make the precedent with a full knowledge of what it means, and in the full belief that it will be of an auspicious character. Some seven years have elapsed since the first Colonial Conference was held in London, and at the close of that Conference the Secretary of State expressed the hope that it would not be the last, and now the present Secretary of State hastens to show that he is in full sympathy with the movement. (Hear, hear.) It is unfortunate, in one sense, that the representation of Great Britain should have fallen upon an unworthy person, but you may be sure that there is no one in this assembly who is more actuated by the feeling which has brought us together than the person who is now addressing you. (Applause.) During that last Conference, many questions of importance were mooted and discussed, but were not brought to any determination or solution; but during those seven years these questions have not been allowed to sleep by those who have been deeply interested in them. My friend Sir Charles Tupper, in London, has always shown himself ready to meet any opponent and to point out his weak points whenever he thought he could advance the interests of Canada (applause) looking upon Canada as part of this great Empire and not in any selfish spirit. Then we know also that Mr. Sandford Fleming has never hesitated (applause) to press his views with a considerable amount of success. And I cannot pass by the visit, to which his Excellency has referred, of the Hon. Mackenzie Bowell to Australia. He undertook a great pilgrimage and he has had the satisfaction of making many converts. In fact, anyone who will read his valuable and interesting report will soon see how he has stirred men's minds upon this point, and how gradually those minds are ripening to a solution. I should like also to express thanks to Sir John Thompson (applause) for having had the boldness and the foresight to call this Conference together in order to bring these subjects within the range of practical consideration. We, who are the representatives of various parts of a world-wide Empire, may well feel proud of the privilege which has been intrusted to us—for there can be no greater privilege intrusted to any body of men than to try and bring various countries, various Colonies, together for the purpose of increasing the happiness and prosperity of all. (Hear, hear.) But this would not be the time or the occasion on which to make a forecast of our work. Suffice it to say that the spirit which inspires me – and I doubt not inspires all my colleagues—is one of absolute sympathy with the far-seeing policy which has called us together; and could there be any more fitting place for such a representative meeting to be called than in the grand Dominion of Canada? His Excellency has well pointed out her splendid position in this question. It is with wonder that I think what Canada has done to bring the northern and southern parts of the Empire together. She has linked the two great oceans, after an exhibition of courage and constancy and skill which has never been surpassed in the history of the world. (Applause.) She has made her country the half-way house of the Empire, where the kindness and hospitality shown to us make us feel quite at home. If I want to look for a harbinger of success, I see one before me. The good wishes and the smiles of fairest Canada I feel are upon us (loud applause), and we take the earliest opportunity of offering to them our homage of respectful admiration. (Applause.) If we can only more fully deserve their good wishes and smiles at the close of our work, we shall feel that we have been working for Imperial harmony and prosperity, not in vain. I deem it also, your Excellency, a very happy coincidence, that it should be my good fortune to be here under your kindly and sincere roof, and I feel sure that there can be no greater pledge of the kindliness and sincerity with which the mother country regards this great portion of her Empire, outside her own immediate waters, than the fact that you, Sir, should be sitting in that chair. (Applause.) It is the desire of Great Britain and the Colonies to give a clear and full consideration to all important subjects which may come before them; and, as affecting this policy that will be the surest pledge for the continuing happiness and prosperity of every portion of the great Empire which gives us shelter and encouragement, Sir John Thompson, in the name of the country which I represent, the mother country, I take up the pledge of faith which you have so ably and eloquently tendered, in the

full belief that the result of this Conference will be the strengthening of those bonds of affection and of interest which should always bind each part of the Empire together. (Applause.) I will only now thank you for your welcome and for the earnest, which it gives us, of happy days which are before us in Ottawa. (Applause.)

Lord ABERDEEN.—I shall now call upon the Hon. Nicholas Fitzgerald, the representative of the Colony of Tasmania.

Hon. NICHOLAS FITZGERALD.—Your Excellency, Sir John Thompson and gentlemen: On behalf of Tasmania, the smallest of the Australian Colonies, but not an unimportant one, nor the least progressive, certainly the most picturesque, never jealous of the progress and prosperity of her sisters, and one always foremost in the desire of further union between the group for the good of the whole: (Applause) as the representative of that Colony, I beg to express my warm thanks for the kind words of welcome which have been offered, and join in the fervent hope that has been expressed that beneficial results will flow from this Conference. It is an augury of good that our first meeting should be held on this auspicious day, the anniversary of Her Majesty's coronation. (Applause.) We are all united and constant in our devotion to Her Majesty's throne and person. We respect the Queen not only as our beloved Sovereign but as one who takes not a small part in guiding the destinies of the great Empire over which she rules, and as one who feels a kindly sympathy in all movements for the advancement of every portion of Her Majesty's Empire. We believe that the Queen regards with pride the expansion of that Empire, and watches with interest every action calculated to advance that mission which we proudly say belongs to the British race, namely, to extend to the farthest corner of the earth the blessings of commerce, and the blessings of civilisation. (Applause.) When Mr. Mackenzie Bowell, a distinguished statesman of this country, recently did Australia the honour of paying it a visit, he prepared us to receive, whenever we came here, not only a welcome but a hearty one, and I may say, knowing the feelings of my brother delegates, that words are too feeble to convey our high appreciation of the hearty, indeed of the noble, reception which this grand Dominion has given the colonial representatives. (Applause.) We were glad to receive the invitation which the Government of Canada honoured us with to this Conference. We accepted it with alacrity; we felt we would be coming among blood relations; we knew we should meet a people proud of their progress as we in Australia are; we knew that they, as well as we, enjoy the blessings of self-government, all having proved their capacity to wisely use them. We knew that we should come among you bound by an equal feeling of loyalty, showing in common the historic fame of the country we sprang from, and proud of the achievements of our race. A meeting of the Imperial and Colonial representative men was inaugurated a few years ago, and fitly so, in the capital city of the Empire. That Conference marked an epoch which truly may be termed historic, a happy departure from old colonial traditions, pregnant with blessings and advantage to the centre as well as to the utmost limits of the Empire. A hope was then expressed that the policy inaugurated there would be a continuous one. To-day we celebrate that fact, the great fact, of a continuity in colonial policy, no less, I think, necessary for the future safety and prosperity of the Empire than continuity in its foreign policy. Where could the second of these national conferences more fitly be held than in this grand and prosperous dominion—the Dominion of Canada—the bright example to the other Colonies, the precursor of their self-government of every degree, the first of them to enjoy the great blessings of federation? (Applause.) But another reason, an important one historically, is, that here was the great battle, the great issue between the Mother Country and her Colonies first raised, and, to the pride of Canada, carried to a successful issue. To-day we congratulate the Imperial Government on this fresh instance of departure from the policy of those days, and on the doom of the old relations that existed between the Colonies and the Mother Country having been rung for ever. We are now engaged at this Conference, hoping to prove the great advantages that will flow from sending representatives of the Mother Country to confer with representatives of the great dependencies of the Empire, to exchange ideas and to consult as to the wants and the necessities of the Colonies, illustrating the unity of the Empire to which we are proud to belong. (Applause.) Then, your Excellency, we are assembled under happy auspices. We are here from Australasia to endeavour to work with our Canadian and other colleagues for our mutual benefit, feeling assured that everything which enhances the progress and the prosperity of the Colonies must add to the wealth and the power of England. We are assembled to endeavour to bridge over the great stretch of ocean that divides the Colonies in the south from Canada. We are here to

endeavour by mutual concessions and arrangements, and it may be sacrifices, to lessen space and, as it were, to annihilate time. We are here to endeavour to arrange for the exchange of products to the advantage of all, and by telegraphic communication to draw closer a union and to cement in every way we can an intercourse of trade and friendship, which happily has not begun to-day, which will, we trust, in future time expand and extend until the Pacific has become the highway of commerce between Canada and the southern Colonies, as the Atlantic is now between Canada and the Mother Country. (Applause.) I again say we happily begin this Conference; we could not do so under the presidency of one who commands our respect more than your Excellency. We could not have here as the representative of the Mother Country one who commands the confidence of Australasia more than the Earl of Jersey, one who has, during his period of office as Her Majesty's representative in one of the largest and the oldest of our Colonies, always evinced a great knowledge of the wants of the Colonies and a sincere and hearty sympathy with their aims and aspirations. (Applause.) Joy was expressed throughout Australasia when it was known that Lord Jersey would be the representative of England. It was felt that the Imperial Government would be very ably represented, and that as far as his instructions could permit, Lord Jersey would endeavour that not only good but that the highest measure of good would follow from our deliberations. Then, your Excellency, I say that we have commenced our proceedings under auspices that could scarcely be more favourable; and I fervently unite in the words which your Excellency used, viz., that the blessing of divine Providence may be with us, and that good results may flow from our meeting, and that this the second national Conference may be followed by others when required also diffusive of advantage to the Colonies as to our dear and great Mother Country. (Loud applause.)

Lord Aberdeen.—I shall next call upon Hon. Francis B. Suttor, representing the Colony of New South Wales.

Hon. F. B. Suttor.—Your Excellency, Sir John Thompson, and gentlemen: I trust I am able to appreciate the high honour conferred upon me to-day by being permitted to speak so early on behalf of the oldest of the Australian Colonies. You, sir, have said that this is a momentous occasion, and we do think that the important work we have before us will require the most earnest consideration at the hands of representatives of the different Colonies; but if it is an auspicious occasion in connexion with the duties we have to perform, surely this opening will be memorable to us, for not only have we here above us, as Lord Jersey most gallantly said, fairest Canada, but the Government and the Parliament have been good enough to honour us by setting apart this day to welcome us to the capital of the Dominion, and are supporting us by their presence in this Senate chamber; and you, my Lord, as Her Majesty's representative, have honoured us by presiding over this the inaugural meeting of the Conference. That being so, I am sure we all feel that we cannot express too highly our gratitude for the kindly words of welcome so ably spoken by your Excellency and the Premier. Those of us who entered the Dominion of Canada by the western gate at Vancouver, have experienced such unexpected and continuous kindness and attention under exceptional circumstances that our journey eastward has been one of unalloyed pleasure and gratification. We were welcomed at Victoria, at Vancouver, and in that wonderful new city of Winnipeg, and you, my Lord, as the head of the Dominion, by welcoming us here are adding to the great obligation we feel ourselves under to the people of Canada. We could not have been received with greater distinction than we have been; and it is a source of great gratification that you have condescended to fill the chair on this occasion. I trust, whatever the result of our deliberations may be, they will at least have the effect of strengthening more completely the bond of union that exists between the self-governing Colonies and the parent State. (Applause.) Perhaps I might express the hope that by its position and the action it has taken in relation to the present Conference, this Dominion of Canada may be the central swivel in that chain bringing us together in common interests which will prevent any knotting or friction, and prove a source of encouragement to all the great Colonies of England to work harmoniously together. (Applause.) I come here to-day as a member of the Government of New South Wales. I am here to-day charged by my Government to listen attentively, and to give the most favourable consideration to all proposals that are submitted to us in Conference, and I feel persuaded that the determinations the Conference may arrive at on the various subjects submitted to us will be such as to meet the approval of the Government and the Parliament of the country I represent. (Applause.) It will not be considered presumptuous on my part if I make some allusion to the right hon.

gentleman who represents England at this Conference. I claim to have some right to do so because it is only a short time since he left New South Wales, and I feel inclined to still call Lord Jersey "His Excellency." During the greater portion of the time that Lord Jersey occupied the official position he did in New South Wales I had the honour of sitting at the executive table with him, and as I consequently possess some personal knowledge of him, I have no hesitation in saying that there could not in the British dominions be chosen a man who takes more interest in, and has a better knowledge of, Colonial matters. It is needless, therefore, for me to say that we know the Imperial Government will be ably and well represented at this Conference by the right honourable gentleman. Sir, it is difficult at this early stage to forecast the results of our deliberations. Possibly—though I do not anticipate so—there may be no immediate issues from our deliberations, but whether the results be immediate or not, the meeting of such a large body of distinguished men from the self-governing Colonies of Great Britain, must prove beneficial to all. (Hear, hear.) This occasion, as I have said, will be ever memorable in the minds of all who have been permitted to attend this Conference and take part in the discussions day by day, and whether practical results follow or not, I am convinced that we shall, at the conclusion of our sittings, part feeling that we have a larger knowledge of each other and a greater pride in belonging to that great Empire from which we all sprang and to which we all belong. (Loud applause.)

Lord Aberdeen.—Permit me to next introduce to you Hon. Sir Henry de Villiers as the representative of the Cape of Good Hope.

Sir Henry de Villiers.—Your Excellency, on behalf of the delegates from the Cape of Good Hope, I beg to tender you our most hearty thanks for the cordial words of welcome which you have spoken. On their behalf, also, I have to thank the Canadian Commissioners for the consideration we have received from the time we set foot on Canadian soil. The hospitality of the Canadians is proverbial; and it has already been so expatiated upon by those speakers who have preceded me that I need do no more than heartily thank the Commissioners on behalf of the people of the Cape of Good Hope. Our only regret is that neither Mr. Rhodes nor any of his ministry has been able to join us. Owing to the sitting of Parliament at this time it was impossible for the Cape Premier to be here; but I know that he and all his ministers entertain the earnest hope that this Conference may prove a complete success. (Applause.) And they have commissioned me to express their wishes that the deliberations of this Conference may result in measures beneficial alike to the British Empire in general and to our Colony in particular. The subjects upon the programme, my Lord, are not such as we of the Cape of Good Hope are very directly concerned in: our Australian colleagues are much more interested in most of them; so that, in a measure we shall be in the happy position of being listeners rather than active participators in the deliberations of the Conference. Here in this country you have solved problems which with us are still unsolved. You have solved the great question of confederation, and you have known how to reconcile local autonomy with a central administration of affairs of general concern. There is one experience which is common to both, and that is that we have two nationalities, the Dutch and the English, just as you have two nationalities, the English and the French, which it is the part of wise statesmanship to fuse into one. And there is another point of agreement between the Cape of Good Hope and the Dominion of Canada; and that is whatever nationality we belong to, we are all united in the most perfect and sincere loyalty to the good and great Queen who for so many years has ruled over her vast Empire, (applause) of which the Colonies represented at this Conference form a part. But although the subjects to be discussed are not such as the Cape of Good Hope has any immediate interest in, yet we are not without hope that in the result the Cape may derive its full share of benefits from the Conference. Among the subjects to be discussed, for instance, is the question of the cable from Vancouver to the Australian Colonies. Our hope is that the laying of the proposed cable may result in the laying of another cable from the Australian Colonies to the Cape of Good Hope. Such a cable would be useful not only for the defence of the Empire, but it would also have the practical effect of reducing the exorbitant charges which are at present charged for telegrams from the Cape of Good Hope to Great Britain. In regard to commerce, although there is at present little trade between Northern America and Southern Africa, there is no reason why such a state of things should long continue. We may firmly hope that one of the results of the Conference will be to remove any fetters that may at present exist on the freedom of intercolonial fiscal arrangements for our common benefit. We may

be able to offer products to Canada which Canada cannot raise herself, and we in our turn may be glad to receive products which the Cape of Good Hope is not able to raise for itself. A few years ago it would have been considered an impossibility for the different Colonies to send representative men to meet as we do to-day. With the increasing facilities of travel by railroad as well as steamship, it has been found possible for us to cross the Atlantic and the Pacific from all parts of the world in an incredibly short space of time; and nothing has assisted more towards that result than the construction of the great Canadian Pacific Railway across this continent. But, my Lord, if I may venture to forecast events, I would say that this Conference will not be more memorable for its immediate practical results than for the great precedent in political action which has been established. It is the first occasion upon which representatives from every part of the British Empire have met together, not in London, but in one of the Colonies, and have been joined by a representative from Great Britain to discuss questions of interest common to them all. To-day the question is the comparatively humble one of the commercial interests of the different portions of the Empire. At another conference the question may be the defence of the Empire, and yet at another the question may be the federation of the different portions of the Empire. (Applause.) A great responsibility therefore rests upon the delegates here assembled to conduct our proceedings in so practical and sensible a manner that the Ottawa Conference may hereafter be regarded as an example to be followed and not as a danger to be avoided. (Loud applause.)

Lord ABERDEEN.—I will ask the Hon. Thomas Playford, representative of South Australia, to now address you.

Hon. THOMAS PLAYFORD.—Your Excellency, Sir John Thompson, and gentlemen: In the first place allow me to express my pleasure at representing the not very small Colony of South Australia; it is not one of the largest of the Australian group, although it may be on the present occasion represented by the largest specimen of humanity in the room. (Laughter.) I have listened, I can assure your Excellency, with a considerable amount of pleasure to the addresses which preceded mine, your kind and considerate words of welcome, the able address of Sir John Thompson, which was exceedingly pleasing to me; and that most eloquent speech of all by Mr. Fitzgerald, who represents the smallest Colony of the south Australian group, but is the most eloquent of the Australian delegates. (Applause.) I will not repeat what he said upon the present occasion. I wish to say in the first place that I noted that you made the remark that this was not the first conference, although none had been held with exactly the same objects we have in view to-day. Your statement was in every sense of the word accurate. The Imperial Conference, I take it, was about the first of the series of which this may be called the second; but the Imperial Conference met for a different purpose than the one we meet for. The primary object of the Imperial Conference was for the purpose of establishing some means of defence to the Empire as a whole; that was its primary object. This Conference is for the purpose of establishing trade relations with various parts of the Empire. (Hear, hear.) As was stated, that Conference also was held for the purpose of drawing closer the bonds of union between the Colonies and the mother-land. This Conference is held for drawing if possible closer bonds of union by means of trade relationship with the various Colonies of the Empire as well as with the Mother Country. (Hear, hear.) Now, as far as Australia is concerned, from the day in which Her Majesty was crowned until the present day we may date the great material progress of the Australian Colonies. Some of them were barely in existence before that date. Now, we have, in that short space of time, built up a nation out of what was practically a wilderness. I do not intend to go into statistics; they generally weary an audience, but perhaps I may be allowed to quote one or two. Your worthy representative to the Colonies, the Hon. Mackenzie Bowell, has issued a pamphlet in which he has given you the result of his labour in the Australian Colonies; and he says—and it will give you some good idea at all events of the importance of the trade of Australasia—that the foreign trade of Australasia (striking out all the intercolonial trade) amounted to over 40,000,000*l.* a year, Now 40,000,000*l.* if it is put into dollars looks a considerably larger sum than 40,000,000*l.* as you know. However, it is a big trade of exported produce which we ourselves did not require for our own consumption. We have in addition an import trade of over 30,000,000*l.* Now, when we come to an important part of Her Majesty's dominions, like Canada, and make the inquiry—what is the volume of trade that exists at the present time between Canada on the one hand and Australia on the other? we find it dwindles down to about 100,000*l.* of produce we take from you, and you take

from us, we believe (not directly—a great deal comes through the United States) about 150,000*l.* of our 40,000,000*l.* Now comes the question which this Conference is going to try and solve, or at any rate to put on the way of solution if we cannot solve it; that is, cannot the trade between these two portions of Her Majesty's dominions be greatly increased? Cannot you take a little more of our 40,000,000*l.*, and cannot we take something from you in exchange, to our mutual advantage? Of course there is no sentiment in trade relations; it is a matter of pure pounds, shillings, and pence; and if it will not suit us to send our produce to you, if you will not give us what we can get for it elsewhere, we will not send it, and you will not send to us if we do not pay as much as you can get elsewhere. (Laughter and applause.) You will not send to us if you cannot obtain some advantage, some benefit, by so doing. I have been looking at the matter from a practical standpoint; and I have had the advantage over most of my colleagues of having arrived here a week ago; and I have taken my walks round this beautiful city of Ottawa, in which I see new beauty every day in doing so. I have visited some of your manufactories. Among others, I went into Mr. Eddy's manufactory, and I saw the whole process of making paper from wood, and I saw the immense piles of magnificent paper being made, and all the processes connected therewith, and I said: "Well, in Australia we import nearly if not the whole of our paper; "surely Canada with her magnificent water power, the machinery being driven so "cheaply by the water power, with her ability to supply us with any amount of paper, "ought to be able to build up a trade in paper." I went further through that factory; I will not describe everything I saw. I saw them making matches, and I said to myself: "Surely the good people of Canada might as well supply the people in "Australia with matches instead of the Swedes who largely supply us now." They are the principal source from which we gain our supplies at the present day. I have no doubt that when we look round among your factories and the various products of your land that we shall be able to find plenty of things which you produce which we do not and which we want; and you will be able to find among us a number of products which we produce and you do not and which you want, and we may be able to build up a large and magnificent trade eventually. (Applause.) That, I understand, is your object. I do not intend to take up your time much longer. There are a number of other speakers, but I wish to mention one point in which I have to express a little sorrow. Lord Jersey will recollect that when he was Governor of New South Wales we held a conference in that magnificent city, with its most magnificent harbour. We held a conference there for the purpose of coming to some understanding as to the basis of a federal union between the Colonies. We passed a Bill; we very properly referred to all the historical precedents of the countries which had federated in the past, and you being the last of the number who had federated, we studied with a considerable amount of interest your constitution. We framed a Bill for the purpose of being submitted to the various Legislatures for the federal union of the Australian Colonies; and all that I am sorry for to-day, so far as Australia is concerned, is that before this she has not been federated, and that she is not here represented by her delegates who speak for the whole of Australia instead of for people from different parts of it. (Applause.) You may help us to realise that, because you must see what an immense advantage it must be to a country to have one Government and to have that Government enabled to speak for the whole of a continent, as we could do if we were united, instead of having a number of separate Governments, with separate and diverse interests, frequently clashing one with another, and the country is not able to speak in the councils of the world with that one voice in which it should speak, and with which, fortunately, you are able to speak. (Applause.) On this great question, perhaps I may be allowed to say one word, and that is this: you may materially help us, and I believe you will materially help us from the fact that from all inquiries I have been able to make, you are eminently satisfied with the position that you occupy to-day. (Applause.) You are eminently satisfied with the advantages that you have gained under your federation; and we shall be able, I believe, to go back to our native land, Australia, and advance the cause of federation there, from the fact that we will be in a position to inform our people that you, after having tried it for a number of years, have no desire to go back again into your old disunited state, but that you are eminently satisfied with the position you now occupy. Gentlemen, I thank you for the patient hearing you have given me. I trust our deliberations will result in good fruit; and although I, along with Sir Henry de Villiers, may think that we may not be able to bring forth fruit immediately, I am quite sure we will sow seeds which will eventually spring up and produce the results which we so much desire. (Applause.)

Lord ABERDEEN.—You will now have the pleasure of hearing from New Zealand, through Mr. Lee Smith, the representative of that Colony.

Mr. LEE SMITH.—Your Excellency, Sir John Thompson, my Lord and gentlemen: I beg to tender you my thanks for the kind reception which you have given to me as a representative—I will not say of the largest or smallest of the Colonies of Australasia, but I will say the most fertile—that is New Zealand. I can assure your Excellency that my Government have looked forward to this Conference with much interest, and they hope and expect that the results will be beneficial, not only to that country but also to the whole of Australasia and the Empire at large. Sir, in expressing my thanks to you for the welcome you have given me, I would like also to tender my thanks to the people of Canada for the similar kindness they have shown to me and the other delegates of Australasia since we arrived on these shores. From the time we left Vancouver to the present moment, I may say, we have had one continuous welcome; we have been treated in a most liberal manner; we have been made most comfortable by that great institution of yours, the Canadian Pacific Railway, and our journey throughout has been one long and continuous enjoyment—a pic-nic on wheels. (Applause.) I may say also, for the other bodies besides the Canadian Pacific Railway, that, at Winnipeg, Vancouver, and elsewhere, they have received us in the most generous manner, and I am quite satisfied that when I report to my people in New Zealand they will be highly pleased with the manner their representative has been received in this Colony. I think this gathering will be unique in colonial annals. I believe it is unique in two senses: First of all it is a conference for the discussion of entirely commercial matters, and secondly it is unique in the fact that the Imperial Government is directly represented. We have a representative sent here of Her Majesty, and I can confidently endorse what has been said by Mr. Fitzgerald, that no more acceptable representative could be sent here than Earl Jersey. I have not had the opportunity of meeting him before, but being a near neighbour to New South Wales, and reading, as I have read, about his career there, I may say it will give as much pleasure to New Zealand as it has given to the people of New South Wales, that Lord Jersey has been chosen by Her Majesty's Government to represent them in the Conference which we are now holding. Sir, my Government have looked upon this Conference entirely as a commercial one. I cannot claim, as many of my brother delegates can, any political position. My Government have chosen me as a purely commercial man. The people of Canada must not think as I hear they do, the New Zealand Parliament is exclusively engaged on social matters. There is no doubt we have given very considerable attention to those questions, but New Zealand also shows a great regard to questions of trade and commerce; and my Government, sir, recognising that this is a great event, recognising that it may be the precursor of a large trade not only between the Australian Colonies and New Zealand, but also between the Colonies of the Empire at large, made this purely a commercial question, and decided to send a man whom they thought would represent them in a proper manner. I am here in that humble capacity, and I will do my best to promote the interests of the Colony by taking a wide and comprehensive view of all questions that may come before us. My Government have charged me with the high duty, which I shall have great pleasure in endeavouring to carry out, of giving a liberal and generous consideration to the subjects we may have to discuss. Sir, the Colony of New Zealand is directly, immediately, and I may say, more particularly interested in the question of mail communication through Canada to Europe than any other Colony; it is our natural line of communication between New Zealand and Europe; and, viewing it in that way, and remembering that for many years we have had a communication almost on parallel lines with it through San Francisco to London, my Government think that the time has now arrived when we should endeavour to have an alternate line going through territories which belong to Her Majesty. (Applause.) There is, sir, another matter which may be brought forward, that is, the initiation and the carrying out of a cable service through this Dominion, which will receive the favourable consideration of myself as the representative of New Zealand—for it is a natural corollary to a mail service—which means the introduction, and, I hope, the carrying out of a large trade with Canada. Our cable communication with the United States and Canada is very faulty. It was only the day before yesterday that I received a telegram from New Zealand which took three days in transmission. I believe if we could carry out a cable line from New Zealand to Vancouver we should be placed in immediate contact, not only with Canada but also with Great Britain. Sir, there are many questions which may be brought forward. It must be remembered that at this Conference there are representatives coming from Colonies with varying interests. In one country we may have one thing to consider and in another country we may have

another thing to consider; but I believe it would be to the advantage of all if we regard this Conference as a Conference for the benefit of the whole Empire and not deal with it in a sectional spirit. (Applause.) I may say that my Government have told me that on no account am I to show any of the small petty jealousies which I am sorry to say have from time to time in the past been exhibited between various portions of Her Majesty's dominions. I cannot speak in the same warm manner in which some gentlemen have done with regard to confederation. There are a great number of reasons why New Zealand should not consider at the present moment any question of confederation. It was well said at a conference some few years ago that there were 1,200 reasons why we should defer that consideration; there are 1,200 miles of water between us and Australia; and here I regret to say that I find many people throughout this country who are not so well acquainted with the geographical position of New Zealand as they should be, for they mix up New Zealand with Australia in the most remarkable manner. I shall conclude by saying that on all subjects which come before me, I shall endeavour to act in such a manner as to benefit New Zealand, but I shall also consider Australia, and above all the united interests of the Great Empire to which we are all proud to belong. (Applause.)

Lord Aberdeen.—I shall now call upon one of the representatives of Victoria—Hon. Simon Fraser.

Hon. Simon Fraser.—Your Excellency, Sir John Thompson, my Lord and gentlemen: I have to thank the Government of Canada and the people of Canada on behalf of the Colony from which I come for their hearty welcome. We have in Australia, and especially in the Colony that I have the honour to represent, with my other two delegates, been exceedingly pleased to receive the invitation of this great Dominion, of which I am also, I may inform your Excellency, a native. (Applause.) But, although I have taken my abode in that country of Australia for over 40 years, yet I need not say that I am delighted beyond measure to be back once more, especially upon such an auspicious occasion as the present. We have received every attention since we landed on the shores of the Dominion, more than we deserved, indeed. We have wondered, and wondered over again, at the progress made by this great Dominion, and I can say that although the progress is marvellous and the people and the Government who have had the courage, the daring, I may say, of carrying out such a successful policy should be congratulated and complimented; still I may say that quite such a future is in store for us in Australia should we have the good fortune and the good sense to follow the example so well set us by Canada. (Applause.) And I may say that our esteemed delegate from the Imperial Government, the Earl of Jersey, is aware of the fact—and my friend Hon. Mackenzie Bowell must be aware of it—that if you are travelling through Australia you find that nine men out of ten are in favour of federation; yet it has not been carried out. We are now, I hope, on the very verge of succeeding; at any rate we are making greater efforts than were ever done before. And we are determined, in doing that—as I hope we will be determined in doing what we are now about to commence—to give and take in all matters affecting the welfare not only of our own country, Australia, but of this country, of the Imperial and British interests as well. We meet on this occasion, and the gravity of the situation is very great, because we are acting for future generations; and although I am a great believer in commerce—we all are—there are other matters besides commerce; sentiment has a good deal to do with matters in this life; and if we can manage to increase the trade between Australia and Canada, then larger benefits will follow. That is, the standing by each other, as the Scotchmen would say, standing shoulder to shoulder in time of trouble and anxiety. Well, of course, if we trade with each other we will know each other much better than we can possibly do without trading with each other. I imagine there is a considerable trade to be done between Australia and Canada. It has been alluded to, and I am not going to refer to it; I could enlarge upon various little matters, but this is not a suitable time for so doing. At any rate I am quite sure that the Australian delegates, and also the whole of the delegates, will give and take in all matters like this, and act for common interests. Unless we sink minor and local differences we never, of course, can arrive at what will be satisfactory in the long run. It is only by yielding here, accepting there, and following a policy of that kind, that we can perhaps look back in years to come and say we have acted with discretion and with wisdom on the whole. I am proud to say that the Colony of Victoria is most anxious and will be exceedingly, I was going to say annoyed, but disappointed at any rate, and grieved, if some successful issue does not result from this great Conference. We are not tied by narrow lines. We have the assurance of our Government, and I know that the people will be

eminently satisfied if we are successful in our mission, because the interests at stake are immense; the interests of Australia alone are immense. My friend Mr. Playford has alluded to the trade of Australia. The wool trade of Australia comes to 22,000,000*l.* annually, or nearly $100,000,000, so that you can imagine what huge interests are at stake. There is where I congratulate the delegate who has referred to the fact—I think it was Mr. Fitzgerald—that the Pacific Ocean ought to be traversed by fast-going boats that would be available to the Imperial or Colonial authorities if ever unfortunately such a time should arrive to require the same. Our mission is one of peace to all mankind, and not an aggressive one. But, while we acknowledge and declare that to the whole world, yet it is no harm to prepare for eventualities; it is no harm to keep our powder dry. Now, your Excellency, I join with the other delegates in my heartiest thanks on behalf of the Colony of Victoria for this sincere welcome. Indeed I may say that I told my brother delegates it would be so on the way from Sydney here, and I may say in passing that the voyage to Canada is only a voyage of three weeks, that it is no doubt the shortest way to England, and ought to be certainly a popular way; a pacific ocean truly it is; and the scenery across from Vancouver here is unrivalled in the world. I have travelled a good deal through Norway and Sweden and other countries, and I have gone sight-seeing, but I have never seen such sights as here, not even in the country my friend before me represents, New Zealand. So that that great line certainly ought to be a popular one; and it undoubtedly does cement this great Dominion together and set an example to the world. I do not know, your Excellency, that I can add very much to what has been so eloquently and ably spoken; but when the actual work begins I am sure one and all of the delegates will do their utmost to bring about the successful issue of the objects we have in view, namely, trade relations and a cable across to Australia. Certainly without a cable there is a great link missing, and it will be for this Conference to forge that link without doing injury to any other company or country; but if that link is not completed, then I say there will be a blot on the result of the Conference. I thank your Excellency for the patient hearing you have given me, and I resume my seat simply saying that I am sure good results will follow from our mission to this land. (Applause.)

Lord Aberdeen.—I now call upon the Hon. A. J. Thynne, one of the representatives of Queensland, to address you.

Hon. A. J. Thynne.—Your Excellency, Sir John Thompson, and gentlemen, I respond on behalf of the junior, the youngest of the Australasian Colonies, Queensland, and I think it is very proper that the Colony which has been so short a period in existence as ours has been should be placed on the list of addresses here, so that its delegates may offer to the assembly an expression of their feelings in an order which comes more fitly in the place usually allotted in these times to those of youth and of shorter experience. We have the great privilege of having been called after Her Majesty the Queen herself. We are her latest Colony, and she has been good enough to appropriate for us her own name, that of Queensland; and what is the offering which this young Colony has to make in return? She has endeavoured to follow the steps and benefit by the experience of those who are around her, such as the progressive Colonies of New South Wales and Victoria. We have endeavoured to take self-development, and we hope we have made fairly good use of our opportunities, for we offer in return a voluntary, fruitful, and hearty spirit of appreciation of the benefits which we have received under Her Majesty's reign; and I think that it does not detract from the value of the offering to state that there is not any feeling of impending danger, nor any merely selfish interest which has prompted the development in the Colony of Queensland of the most hearty spirit of loyalty towards Her Majesty. (Applause.) I go further, your Excellency, and I say this, that not only do we feel that same spirit of loyalty towards Her Majesty, but there is a spirit of loyalty—that loyalty which in Australia, as well, I am sure, in Canada, is regarded as sacred by all men who have to endure common hardship, who may have to undergo common danger—and that is the loyalty to one's fellow-subjects; and I have no doubt that in the discussions that may arise at this Conference or hereafter, the people of Queensland will not be in any way backward, or behind those of other Colonies or other countries, in submitting to her share of responsibility, her share of burden, for the united benefit of the whole of those whom she is privileged to call her fellow-subjects. I have to thank your Excellency for the very appropriate and heart stirring words which you made use of in your address to us. I think, sir, that the objects of this Conference,

and the spirit which should control it, could not be better expressed than they have been by your Excellency, and I trust that every delegate who is attending the Conference will bear those words in mind. I cannot at this stage of the proceedings offer many new sentiments or thoughts for consideration, the subject having been handled by so many much more able speakers than myself, but I will say, on behalf of the Colony which I have the honour to represent with my friend Mr. Forrest, that we should be very much disappointed indeed if there is not some immediate practical result from our Conference. (Applause.) We hope, sir, and trust that when we return to our Colonies we shall have some practical definite business which can be at once dealt with and disposed of, and that the initiation of this highly desirable commercial intercourse between Canada and Australia will not be left as a matter for future years, but shall be at once and without any unnecessary delay entered upon and carried out. (Applause.) Delays are dangerous, and as for our Colony—and I think for most if not all of the other Australian Colonies—there is no desire for delay. We will receive with the greatest care and attention every proposal that is laid before us, and if we can in any way assist towards bringing those proposals into immediate practical operation, I think it will not be through any want or any delay or desire to delay on the part of the Colonies that those proposals cannot be carried into effect at a very early date. We look, sir, to hearty co-operation among ourselves in the Australian Colonies, but we are also exceedingly glad to have the countenance and support of our fellow colonists from the Cape of Good Hope. We look also to the active co-operation of Her Majesty's Government and her representative to bring this Conference to an early, successful, and practical result, one which will add to what has been so well described as the bonds of sympathy; those bonds of sympathy at any rate will not be made any the weaker by having a bond further to bind us together. I think up to the present moment our bond of union with Canada has been that feeling of sympathy which existed in Canada and that feeling of sympathy which existed in Australia towards one common object, the mother country. (Hear, hear.) But that bond of sympathy will be none the less effective if our people, our merchants, and traders are interested directly in the course of trade between the Dominion and the Colonies, are interested in our investments, in the money expended in the development of commercial intercourse, and in the establishment of cable communication; and I trust, sir, that we shall make our heartiest efforts towards bringing about the additional bonds which those objects would involve. I am sure that you, sir, and this large assembly must be already weary with the number of addresses which have been delivered, interesting each one of them undoubtedly; but the time has so far gone that I will not detain you any further beyond thanking you again, on behalf of the Colony which I represent, for the almost royal hospitality which you have shown us—hospitality which it would be as hard for me to express in words as it would be to describe your magnificent scenery. And I assure you we shall take the greatest pleasure in reporting to our Government, our Parliament, and our people the kindly feeling you have shown us. (Applause.) I thank you again. (Applause.)

AN ADDRESS TO HER MAJESTY.

Hon. Mr. Sutton.—This being the 56th aniversary of the coronation of Her Majesty the Queen, I feel that we cannot separate to-day without taking advantage of this opportunity to present to Her Majesty an address of congratulation on the length and beneficial influence of her reign over the British Empire. I therefore beg to move the following resolution:—

"That a committee be appointed to prepare an address of congratulation, from the members of the Conference to Her Majesty the Queen, upon her having attained the fifty-sixth year of her coronation.

"That the committee consist of Hon. Mackenzie Bowell, Sir Charles Mills, Hon. Thomas Playford, A. Lee Smith, Esq., Hon. Nicholas Fitzgerald, Hon. Mr. Fraser, Hon. A. J. Thynne, and the mover."

This resolution on being put was adopted.

Hon. Mr. Sutton, on behalf of the committee, reported the address. He said:—

In moving the adoption of this address to Her Majesty the Queen, it would indeed be presumptuous in me to say many words in eulogy of Her Most Gracious Majesty. But coming from the nadir of your zenith, and being an Australian, it may not be considered altogether inappropriate if I should ask the members of the Conference to agree to this address. Our Sovereign has to-day reached the 56th aniversary of her coronation, and we do hope that she may be long spared to rule over us, and to be an example to her race in the future as she has been in the past. Within the last few days there has been born a young son to their Royal Highnesses the Duke and Duchess of York, who it is to be hoped will receive the instruction and wise counsel Her

Majesty is so capable of giving to one who may ultimately become our ruler. This most successful of successful sovereigns has been a great and good example to all others. She has not only led a noble life, but a life that has been pure and blameless through all these years, "in the fierce light that beats upon a throne." I beg to move the adoption of the address, which is as follows:—

ADDRESS to Her MAJESTY the QUEEN, from the COLONIAL CONFERENCE assembled at Ottawa on the 28th June 1894.

To the QUEEN'S MOST EXCELLENT MAJESTY:

MOST GRACIOUS SOVEREIGN!—We, Your Majesty's dutiful and loyal subjects assembled at Ottawa to confer upon the best means of promoting commercial intercourse between the various portions of Your Majesty's Empire, desire to express our unswerving attachment to the Throne and person of Your Majesty.

Coming together on the 56th aniversary of Your Majesty's coronation, we, hitherto strangers to each other, are led by this happy concurrence to realise the closeness of the tie which binds together the widely separated portions of Your Majesty's dominions by a common sentiment of devoted allegiance to Your Majesty's gracious rule.

It is, therefore, with a lively and heartfelt satisfaction that, on the threshold of our labours, we unite in offering our humble, sincere, and cordial congratulations on this auspicious occasion which distinguishes a reign famous in the annals of England, no less for its unexampled duration than by reason of the many glorious achievements of civilisation with which it must be for ever associated.

We beg to assure Your Majesty of the earnest resolve which animates those charged with the administration of Your Majesty's colonial possessions to vie with Your Majesty's Imperial advisers in upholding the ancient monarchy under which it is our happiness to live, and in doing our part to hand down unimpaired to the last generations this great symbol of our union and our strength.

We rejoice in the well grounded hope that Your Majesty may be spared to your people for many years to come.

Sir CHARLES MILLS.—Your fellow colonists of the Cape of Good Hope will be highly pleased to learn that the honour of seconding the resolution for the adoption of the address just read has been conferred on one of their delegates to this Conference, and I, as their humble representative, gratefully appreciate having been selected for this duty, which I will now willingly discharge as briefly as possible. On the invitation of the Government of this great country, this grand Dominion, there are now assembled here representatives from all but one self-governing Colony to confer as to the best means of promoting the commercial interests of every portion of the British Empire, and on this point I wish now merely to say that the Cape Colony aspires to the exercise of the same trade facilities between the several Colonies and parts of the Empire as those enjoyed by the different counties in Great Britain and Ireland—between Sussex and Surrey for instance. It is therefore not only seemly but dutiful that being met here on the 56th aniversary of the coronation of our great and noble Queen (the designation whereby the name of Victoria will go down to posterity in the world's history) we should, after invoking the blessing of Providence upon our proceedings, approach Her Majesty with expression of love and devotion to her person and throne, mindful of the fact that she has so nobly borne the Crown of the British Empire and its vast responsibilities for fifty-six years with honour and glory in her public, and unblemished virtue and rectitude in her private, life, a grand example to her people. In the name and on behalf of the Colony of the Cape of Good Hope, I now beg to second the resolution submitted by the honourable the mover.

Lord ABERDEEN.—I shall regard it as a high honour and privilege to transmit your address to Her Majesty at the earliest opportunity.

THE FIRST ATLANTIC STEAMER.

Lord ABERDEEN.—I have received the following letter from the Clerk of the House of Commons and beg to read it to you:

To His Excellency the Governor General.

MY LORD,—The two Houses of the Canadian Parliament have ordered that a brass tablet should be placed in the wall of the corridor leading to the Library of Parliament, with a suitable inscription commemorating the departure of the "Royal William" from the port of Quebec, in 1833—the first vessel to cross the ocean wholly by means of steam.

Your Excellency is already familiar with the leading circumstances connected with this interesting historical fact. The brass plate ordered by Parliament is now ready to be put in place, and it is felt that no more fitting time could be chosen than at the close of the opening meeting of the Colonial Conference.

On behalf of the Royal Society and associated societies, who were the first to move in doing honour to the builders and navigators of the "Royal William," I express the hope that your Excellency will be pleased to place the commemoration plate in its permanent position. If it is agreeable to your Excellency I inclose the list of gentlemen who, it is thought desirable, should witness the proceedings.

1.—The Delegates to the Conference. 2.—The Speakers of the Senate and Commons. 3.—Cabinet Ministers. 4.—Mr. Gustavus Wicksteed, who saw the "Royal William" launched 63 years ago and took passage on her trial trip. 5.—Mr. Horace Wicksteed, who boarded the "Royal William" on her arrival in England and dined with the captain. 6.—Representatives of the Royal Society and Associated Societies.

I have the honour to be your Excellency's most faithful servant,

(Signed) J. G. BOURINOT.

In accordance with this request I shall, when the Conference rises, have much pleasure in placing the brass tablet in the place selected for it, and I invite the gentlemen specially named in the letter and others to assist me by their presence at the place designated.

I have now to announce that the first meeting is concluded, and that the members are invited to meet to-morrow for business at half-past 10 in the office of the Minister of Trade and Commerce.

His Excellency then proceeded to the corridor leading to the Library of Parliament when, in pursuance to the order of Parliament, the memorial brass respecting the "Royal William" was placed in the position it now occupies. This formal act, performed by His Excellency on the occasion of the opening of the Colonial Conference, most fittingly associated the gathering of representatives from the British Possessions in all quarters of the globe with the germ and pioneer of ocean steam navigation, the development of which has rendered the Conference possible. The memorial was placed in its position by His Excellency in presence of the delegates, the Speakers of both Houses of the Dominion Parliament, the members of the Government, and members of both Houses, by members of the Royal Society of Canada on behalf of the Canadian Institute, Toronto, the Literary and Historical Societies of Quebec and Halifax, and other associated societies, and by citizens of Ottawa generally, among others the venerable brothers Wicksteed, referred to in the letter on the preceding page.

The inscription on the memorial brass is as follows:—

IN HONOUR OF THE MEN

BY WHOSE ENTERPRISE, COURAGE AND SKILL

THE

"ROYAL WILLIAM"

The first vessel to cross the Atlantic by steam power was wholly constructed in Canada and navigated to England in 1833. The pioneer of those mighty fleets of ocean steamers by which passengers and merchandise of all nations are now conveyed on every sea throughout the world.

Ordered by the Parliament of Canada, June 13–15. 1894.

DOUGLAS STEWART.
J. LAMBERT PAYNE,
Joint Secretaries of the Conference.

PROCEEDINGS OF THE CONFERENCE.

Office of the Minister of Trade and Commerce, Ottawa,
Friday, June 29, 1894.

The Conference opened at 10.30 a.m.

The following representatives were present:

The Imperial Government—THE RIGHT HON. THE EARL OF JERSEY, P.C., G.C.M.G.
Canada—HON. MACKENZIE BOWELL, P.C.
HON. SIR ADOLPHE CARON, P.C., K.C.M.G.
SANDFORD FLEMING, ESQ., C.M.G.
Tasmania—HON. NICHOLAS FITZGERALD.
New South Wales—HON. F. B. SUTTOR, M.L.A.
Cape Colony—SIR HENRY DE VILLIERS, K.C.M.G.
SIR CHARLES MILLS, K.C.M.G., C.B.
South Australia—HON. THOMAS PLAYFORD.
New Zealand—ALFRED LEE SMITH, ESQ.
Victoria—SIR HENRY WRIXON, K.C.M.G., Q.C.
HON. NICHOLAS FITZGERALD, M.L.C.
HON. SIMON FRASER, M.L.C.
Queensland—HON. A. J. THYNNE, M.L.C.
HON. WILLIAM FORREST, M.L.C.

CREDENTIALS FILED.

The delegates filed their credentials.

HAWAIIAN REPRESENTATION.

A letter was read from Mr. Theo. H. Davies, dated Ottawa, June 27th, 1894, explaining the position which the Honolulu Chamber of Commerce expected him to have at the Conference. The letter was placed on file.

ELECTION OF PRESIDENT.

Hon. Mr. FITZGERALD.—I have very great pleasure indeed in nominating Mr. Mackenzie Bowell for the position of President of the Conference. It is not necessary for me to put before you his high claims to the position, and I am sure the nomination will be received with pleasure by all.

The Earl of JERSEY.—I have much pleasure in seconding the motion.

The motion was agreed to.

Hon. Mr. BOWELL.—In assuming the responsible duties which devolve upon the President of a Conference of so important a character as the one now assembled, I cannot but express my humble appreciation of the high honour thus conferred, and further to express the hope that in discharging the duties of presiding officer my actions may be such as to meet with the approval of all assembled to take part in the consideration of the important questions which are expected to come before you.

It is with exceeding regret that I have to apologise for the absence of our Finance Minister, Mr. Foster, who was appointed with Sir Adolphe Caron and myself, but is unable to be present on account of illness. The strain of the session, and the rearrangement of the tariff, which is composed of some 900 items, has entailed a great amount of work upon him. He is at present suffering from an attack of lumbago, or nervous prostration; but we shall have the benefit of his valuable services, I hope, in a day or two.

It is exceedingly gratifying to the Government of Canada, to witness the great interest which has been manifested not only in the self-governing Colonies of Her Britannic Majesty, but in England, in the meeting together of representatives from different portions of the British Empire for the purpose of discussing questions of vital importance to their future development and all that contributes to a nation's greatness.

At no period in the history of the Empire could the words placed in the Queen's Speech on the prorogation of Parliament in 1886, when it was proposed to hold the first Colonial Conference, be repeated with greater truth than at the present moment. Time has only intensified the force of the utterance which Her Gracious Majesty then made, when she was pleased to say:—

"I have observed with much satisfaction the interest which in an increasing degree is evinced by the people of this country in the welfare of their Colonial and Indian fellow subjects; and I am led to the conviction that there is on all sides a growing desire to draw closer in every practical way the bonds which unite the various portions of the Empire."

The first statement is verified by the fact that we have present a representative of Imperial authority to take part in our deliberations; and the second has a practical illustration of its correctness in the fact that delegates are present from various Colonies to consider and adopt measures which have for their object the drawing closer together in a perpetual bond of kindship those subjects of Her Majesty whose lot has been cast in different parts of Her great Empire.

The present Conference does not meet, as has been stated in some of the public journals, for the purpose of discussing Imperial politics or Imperial foreign policy, further than they affect the material welfare and well-being of the different British Colonies in general, in matters of trade, and that which is incident thereto, cable connexion between all parts of the British Empire without touching upon foreign soil.

This Conference is the direct outcome of the policy of the Canadian Government in its efforts to extend trade in every direction, more particularly with its sister Colonies. With that end in view, as an initial step and as an evidence of the interest taken therein by the representatives of the Canadian people, a subsidy was voted by Parliament in aid of a direct steamship service between Canada and Australia. This having been accomplished and the service fairly inaugurated, the Minister of Trade and Commerce was, on the authority of an Order in Council, passed on the 7th of September 1893, "requested to proceed to Australia as soon as possible to confer with the several

" governments there, with a view to promote the extension of trade between Australia " and Canada, also to confer with those governments on the subject of a telegraph con- " necting Canada with Australia." Under and by this authority the Minister proceeded at once to Australia and after conferences with the governments of New South Wales, Queensland, Victoria and South Australia, and after having communicated by letter with the Premiers of New Zealand, Tasmania, Western Australia and Fiji, the governments of all of which entered most earnestly into the projects, it was deemed advisable, owing to the fact that most of the colonial legislatures were then in session, that a Conference composed of delegates from the different Colonies should be held in Canada at as early a period as convenient. In confirmation of this view, the Earl of Hopetoun, Governor of Victoria, in proroguing Parliament in November 1893, said :—

" The visit to Australia of the Honourable Mackenzie Bowell, the Canadian Minister of Trade and Commerce, as a delegate from the Dominion Government, is an event of interest. It illustrates the unity under the Crown of the numerous distinct governments which constitute the British Empire ; and the purpose of the visit which is to establish trade relations between Canada and Australia, marks the practical nearness of otherwise distant communities."

His Lordship then added :—

" It has been suggested that the object in view would be attained by a conference in Canada of Australasian representatives with the Government of the Dominion. Should such a conference be arranged due provision will be made for the representation of this Colony on the occasion."

Upon the return of the Minister to Canada and the result of his mission being reported to his colleagues, an Order in Council was passed of which the following is a copy :—

" On a report dated 5th of February 1894, from the Minister of Trade and Commerce submitting the following recommendation relating to trade and cable communication between Canada and Australia :

" 1. In order to cultivate and increase trade relations between Canada and Australia an Act was passed (Act 52 Vic., chap. 2, 1889) intituled : An Act relating to Ocean Steamship Subsidies, authorising the granting of a subsidy of not exceeding the sum of 25,000*l.* sterling per annum, to assist in establishing an effective fortnightly steamship service between British Columbia and the Australian Colonies and New Zealand.

" 2. Chapter 2, 52 Victoria, was amended by Act 56 Victoria, Chapter 5 (1893), so far as to authorise the granting of a subsidy of not exceeding the sum of 25,000*l.* sterling per annum to assist in establishing an effective monthly or more frequent steamship service between British Columbia and the Australian Colonies and New Zealand.

" 3. Under this authority a contract was entered into between the Minister of Trade and Commerce on behalf of Her Majesty, and James Huddart of the city of London, in England, bearing date the 1st day of May 1893, providing for a monthly or more frequent service between Vancouver, B.C., and Sydney, N.S.W., under the terms of which steamships of the capacity agreed upon were placed on the route, the first one sailing from Sydney the 18th May 1893.

" 4. On the 7th September 1893, an Order in Council was passed authorising the Minister of Trade and Commerce to proceed to Australia and confer with the several governments, with a view to promote an extension of trade between Australasia and Canada, and also to confer with the said government on the subject of a telegraphic cable to connect Canada with Australia and New Zealand.

" 5. The Minister of Trade and Commerce on the 7th September 1893, proceeded to Australia, and had conference and communication with the governments of the several Colonies on the subjects referred to in the said Order in Council of the 7th September 1893, at which it was suggested, and a decision was arrived at between the Minister of Trade and Commerce and the Premiers of New South Wales, Queensland, Victoria, and South Australia, that it was important that a conference should be held at as early a date as would be most convenient, in the city of Ottawa, Canada, for the purpose of discussing the arrangements which might be considered the most desirable for the purpose of carrying out the objects in view.

" 6. The Minister recommends that the governments of New South Wales, Queensland, Victoria, South Australia, Tasmania, New Zealand and Fiji be respectfully requested to appoint and send one or more delegates to meet at Ottawa, on Thursday, the 21st day of June 1894, for the purpose of considering the trade relations existing between Canada and their respective countries, and the best means of extending the same and of securing the construction of a direct telegraphic cable between those Colonies and the Dominion of Canada.

" The Minister further recommends that the government of the Cape of Good Hope be invited to take part in the deliberations of the Conference herein referred to.

" 7. The Minister also recommends that the British Government be requested to take part in their conference by sending a delegate or by such other means as may be considered advisable, inasmuch as the object is of an Imperial as well as a colonial character.

" The committee, concurring in the above recommendation, advise that your Excellency be moved to transmit a certified copy of this minute to Her Majesty's Principal Secretary of State for the Colonies.

" The committee further advise that your Excellency be also moved to transmit certified copies to the Governors of the various Colonies herein referred to, and to the Governor of the Cape of Good Hope.

" All of which is respectfully submitted for your Excellency's approval.

" (Signed) JOHN J. McGEE,
" Clerk of the Privy Council."

To this invitation the Imperial, and the majority of the colonial governments communicated with, gave a favourable response ; as evidence of the fact, delegates are now present to consider and devise the best and most feasible means of bringing about the objects in view, viz., of developing trade interests, not the least of which is cable communication between all the different portions of the Empire. It is to be regretted that Western Australia and Fiji were not able to send representatives ; important State

duties, which could not be postponed, having prevented. Sir John B. Thurston, Governor of Fiji, though not here, assured me in a letter explaining his absence, that he was in full sympathy with the objects for which we have met.

Before drawing attention to the important subjects which, among others, may receive the special consideration of the Conference, it is desirable that I should inform those present that on my return from Australia last December, the steamer called at Honolulu, the capital of the Hawaiian Islands, where, through the intervention of the President of the Provisional Government, I addressed the members of the Chamber of Commerce upon the subject of more extended trade between those islands, Canada and Australasia, as did also Mr. Hoyle, a member of the New South Wales Legislature.

At the same time I informed the Chamber of the proposed Conference to meet here, and extended an invitation to it to send a representative. A committee was appointed to consider the subject, and as a result we are glad to welcome Theo. H. Davies, Esq., British consul at Honolulu, as a representative of that body, who visits us with a view to consider how and in what way trade may be best encouraged between the Hawaiian Islands and the British Colonies.

In discussing with the Premiers of the different Colonies the subject of more extended trade relations between Canada and Australia by means of a modification of tariffs, I found the provisions of the Constitution Acts under which the different Australian Colonies are governed would not permit of the adoption of a policy of differential tariffs in favour of any other portions of the Empire: that while each Colony had the authority under their Constitution Act to discriminate against each other, that power did not extend beyond the limits of Australia. In order that this may be made clear, I quote from the Constitution Act of Queensland, as follows:—

"Subject to the provisions of this Act and notwithstanding any Act or Acts of the Imperial Parliament now in force to the contrary it shall be lawful for the Legislature of the Colony to impose and levy such duties of customs as to them may seem fit in the importation into the Colony of any goods, wares, and merchandise whatsoever, whether the produce of or exported from the United Kingdom or any of the Colonies or dependencies of the United Kingdom or any foreign country.

"Provided always that no new duty shall be imposed upon the importation into the said Colony of any article the produce or manfacture of or imported from any particular country or place which shall not be equally imposed on the importation into the said Colony of the like article the produce or manufacture of or exported from all other countries and places whatsoever."

No such provision is found in the Constitution Act of Canada nor any other provisions which can hamper the action of the Canadian Government in respect of its trade policy; but restrictions do exist in certain treaties entered into between England and foreign powers which bind all the Colonies to terms and conditions respecting most-favoured nation treatment; that in 1862, between Great Britain and Belgium, contains the following clause:—

"XV. Articles the produce or manufacture of Belgium shall not be subject in the British Colonies to other or higher duties than those which are or may be imposed upon similar articles of British origin."

And in the treaty of commerce between Great Britain, Prussia and the Zollverein (Luxemburg, Mecklenburg-Schwerin, Anhalt, Waldeck and Pyrmont, Lippe, Bavaria, Saxony, Hanover, Schaumburg-Lippe, Wurtemburg, Baden, Hesse-Cassel, Hesse-Darmstadt, and the States forming the Customs and Commercial Union of Thuringia, viz., the Grand Duchy of Saxony, Saxe-Meiningen, Saxe-Altenburg, Saxe-Coburg-Gotha, Schwarzburg-Rudolstadt, Schwartz-burg-Sondershausen, Reuss-Greitz, Reuss-Schleitz, Brunswick, Oldenburg, Nassau and Frankfort), signed in the English and German language, at Berlin, May 30, 1865, clause VII. provides:—

"The stipulations of the preceding Articles I. to VI. shall also be applied to the Colonies and foreign possessions of Her Britannic Majesty. In those Colonies and possessions the produce of the States of the Zollverein shall not be subject to any higher or other import duties than the produce of the United Kingdom of Great Britain and Ireland, or of any other country of the like kind; nor shall the exportation from those Colonies or possessions to the Zollverein be subject to any higher or other duties than the exportation to the United Kingdom of Great Britain and Ireland."

It will be seen that these provisions make each British Colony a party to what is known as the "most-favoured-nation clause," whether such provisions are in their interest commercially or not.

The practical effect of the provisions in the treaties from which these quotations are made has been to restrict and impede to a certain extent that freedom of action in legislating upon tariff and commercial affairs, which all self-governing Colonies should possess in so far as relates to the management of their internal affairs, and external relations with sister Colonies or foreign nations when not inimical to Imperial interests.

So strong was the feeling of the people of Canada upon this question that the Senate and House of Commons of Canada, during the session of 1892, on the motion of Sir John Abbott, then Premier, unanimously adopted the following Address to Her Most Gracious Majesty:—

"To the Queen's Most Excellent Majesty:—

"Most Gracious Sovereign:

"We, your Majesty's most dutiful and loyal subjects the Senate and House of Commons of Canada, in Parliament assembled, humbly request that Your Majesty may be graciously pleased to take into consideration the position of Canada in respect of certain important matters affecting its trade relations with the Empire, and with foreign nations.

"Your memorialists desire in the first place to draw attention to certain stipulations in the existing treaties with Belgium and the German Zollverein, ordinarily referred to as the 'most-favoured nation' clauses, which are extended to other countries whose commercial treaties with Great Britain contain a 'most favoured nation' clause, and which apply to British Colonies. By Art. XV. of the treaty with Belgium, entered into in 1862, Canada is compelled to admit all articles, the produce or manufacture of Belgium, at the same, or at no higher rate of duty than is imposed upon similar articles of British origin. And in the treaty with the German Zollverein, entered into in 1865, it is stipulated that the produce of those States shall not be subject to any higher or other import duties than the produce of the United Kingdom or any other country of the like kind; and that the exports to those States shall not be subject to any higher duties than the exports to the United Kingdom.

"Your memorialists consider that these provisions in treaties with foreign powers are incompatible with the rights and powers subsequently conferred by the British North America Act upon the Parliament of Canada for the regulation of the trade and commerce of the Dominion; and that their continuance in force tends to produce complications and embarrassments in such an Empire as that under the rule of Your Majesty, wherein the self-governing Colonies are recognised as possessing the right to define their respective fiscal relations to all foreign nations, to the mother country, and to each other.

"Your memorialists further believe, that in view of the foreign fiscal policy of increasingly protective and discriminative duties, it is clearly adverse to the interests of the United Kingdom, and of each and all of its possessions, that the Parliament of the United Kingdom, or of any of Your Majesty's self-governing Colonies, should be thus restricted in the power of adopting such modifications of its tariff arrangements as may be required for the promotions of its trade, or its defence against aggressive or injurious measures of foreign policy.

"Your memorialists desire also to point out that the immense resources of the Dominion in its facilities, and its lumber, require for their profitable development the largest practicable extensions of its markets, more especially in countries whose native supply of such productions is limited, while its rapidly developing manufacturing industries demand large and increasing supplies of raw material, to be mainly supplied by countries which are extensive consumers of the productions of Canada. Your memorialists believe that among the countries with which such an interchange of traffic takes place, the British Empire holds the highest rank in amount, and from its diversity of climate and productions affords the widest prospect of rapid, and practically limitless, increase, while the trade of the Dominion with the United States is second only to that with the British Empire, and its development and extension are of great importance to us; though, from the similarity of most of the products of the two countries, it is probably not susceptible of so great an expansion as might be effected in the interchange of traffic with the Empire.

"Your memorialists earnestly desire to foster and extend the trade of the Dominion with the Empire, with its great neighbour, the United States, and with other countries throughout the world, wherever opportunity offers; and believe that by mutual concessions, and the adoption of measures for the re-arrangement of trade relations between the various portions of the British Empire, and between the Empire and foreign nations, important and lasting beneficial results may be attained, and that to the way of the attainment of these great objects the continuation of the restrictions imposed upon Canada and other portions of the Empire by the so-called favoured-nations clause creates an unnecessary and unjustifiable obstruction.

"The Senate and House of Commons therefore humbly request Your Majesty to take such steps as may be necessary to denounce and terminate the provisions referred to in the treaties with the German Zollverein, and with the Kingdom of Belgium."

The demands made in the foregoing address mark "no new departure by Canada "from the hitherto accepted traditions and practices of the Colonies regarding their "relation in matters of trade and commerce with the United Kingdom." Though Great Britain has not yet acceded to the requests of Canada as expressed in that address, it is gratifying to know that no treaty between Great Britain and any foreign power is finally ratified, binding Canada to its provisions, without her consent is first asked and obtained.

The earnest and careful attention of the Conference is directed to these two most important points; the abrogation of which by Great Britain is absolutely necessary before the paramount objects which the Colonies have in view can be successfully accomplished.

It is not, I am sure, the desire nor the intention of any Colony to adopt a policy of discrimination against the mother country, nor should it do so, but each Colony has the right to ask and to receive from the Imperial authorities the removal of the barriers which now exist preventing full and unrestricted action in dealing with tariff matters in such a manner as will best serve, first, the interests of its people; and, second, the interest of the Empire as a whole. This is the more necessary when we consider the rapid development of trade in each Colony, as evinced by the increase

that annually presents itself. A comparative statement of the imports and exports of eighteen Colonies for the years 1882 and 1892, gives the following results:—

Latest RETURNS at our command show the VALUE of IMPORTS and EXPORTS to be for 1882 and 1892 as follows:—

	1882.			1892.			1882.	1893.
	Imports.	Exports.	Total Trade.	Imports.	Exports.	Total Trade.	Total Trade.	Total Trade.
	£	£	£	£	£	£		
India	60,436,155	83,068,198	143,504,353	84,155,045	111,460,277	195,615,322		
Ceylon	3,885,287	3,032,107	6,917,394	4,565,234	4,021,728	8,586,962		
Mauritius	2,842,008	4,017,063	6,859,071	3,537,444	1,859,844	5,397,288		
New South Wales	21,467,899	17,677,355	39,145,254	20,776,526	21,972,247	42,748,773		
Victoria	18,743,081	16,198,579	34,941,660	17,174,545	14,214,546	31,389,091	Total for Australasia.	Total for Australasia.
South Australia	6,707,788	5,359,890	12,067,678	7,395,178	7,819,539	15,214,717	£114,533,046 or $557,394,157	£122,227,679 or $594,841,371
Tasmania	1,670,872	1,587,389	3,258,261	1,497,161	1,346,965	2,844,126		
New Zealand	8,609,270	6,658,008	15,267,278	6,943,056	9,534,851	16,477,907		
Queensland	6,318,463	3,534,452	9,852,915	4,382,657	9,170,408	13,553,065		
Natal	2,213,538	731,809	2,945,347	3,212,259	1,535,903	4,748,162		
Cape of Good Hope	9,660,641	8,561,158	18,221,799	9,571,670	12,206,493	21,778,163		
Lagos	428,883	581,064	1,009,947	522,041	577,083	1,099,124	Total for Canada.	Total for Canada.
Dominion of Canada	24,879,062	21,278,584	46,157,646	26,179,329	23,417,132	49,596,461	$221,556,703	$241,369,443
Newfoundland	1,739,629	1,458,587	3,198,216	1,431,137	1,549,408	2,980,545	$778,950,860	$836,210,814
Jamaica	1,321,962	1,549,058	2,871,020	1,941,481	1,759,806	3,701,287		
Barbados	1,162,867	1,193,295	2,356,162	1,081,572	926,572	2,008,144		
Trinidad	2,399,795	2,452,033	4,851,828	2,089,380	2,258,063	4,347,443		
British Guiana	2,099,633	3,208,631	5,308,264	1,780,319	2,433,213	4,213,532		
Grand total	£176,591,833	182,142,260	358,734,093	198,236,034	228,064,078	426,300,112		
Grand total	$859,413,587	886,425,665	1,745,839,252	964,748,698	1,109,911,846	2,074,660,544		

Giving a total in 1892 of $2,074,660,564, of which the Australasian Colonies contributed $594,841,373, and Canada $241,269,443, or a total of $836,210,814; but it must be borne in mind that a portion of the exports and imports of Australia are intercolonial, while in Canada, under confederation, inter-Provincial trade is not included in her exports or imports.

A large portion of the above trade is with foreign powers, which, by a judicious adjustment of tariffs, might be diverted into British channels; this is therefore deserving of the earnest and careful consideration of those who have the general consolidation of the Empire at heart.

The accomplishment of this great object could, I humbly submit, be attained by each Colony retaining perfect autonomy as regards its tariff rates, whether on a basis of free trade or protection, with the one sole restriction, that on all articles on which duties are charged, uniform preferential rates on direct importations shall be accorded to all members of a confederation to be founded for that purpose and to the mother country should she desire to form part of such confederation, as against the rest of the world.

To accomplish this the Imperial Government should be respectfully called upon to terminate all existing treaties to the contrary, at the earliest date possible.

This being attained a joint commission might be appointed to form nomenclature of tariffs so as to insure uniformity of practice in respect to assessments of duties as well as classifications for statistical purposes:

Uniform practice with reference to values for duty and for statistics:

A uniform statistical period and an interchange of statistical, commercial, and trade blue books, as issued.

As a means of ensuring success in the consideration of subsidies for promoting trade relations between the different members of the confederation.

Pertinent to this proposition is cable connexion not alone with Australia, but with all Colonies which form part of this tariff union—and it is to be hoped that all of Her Majesty's possessions will in due time be incorporated therein—all on a basis of direct British or Colonial control, and touching at or on British territory only.

An extension to Hong Kong of the proposed line between Canada and Australia is, under the provisions of the agreement entered into between the Most Honourable the Secretary of State for the Colonies and the Eastern Extension, Australasia and China

Telegraph Company, Limited, bearing date the 28th of October last, rendered easy of accomplishment at a moderate cost, while another important link in the grand chain, viz., from Canada *viâ* Bermuda to the various British West India Islands is at present under contemplation.

Upon the subject, however, of the importance of cable extension between the outlying portion of the Empire, on the Pacific, it is but necessary to call attention to the proceedings of the Colonial Conference held in London, in 1887, and to subsequent papers upon the subject, all of which will be laid before you.

Correlative to the subject of cable communications, and none the less important, is that of the increased postal facilities, under exclusively British control, which the lines of swift communication already inaugurated and those in contemplation will provide, to which no doubt your attention will be directed with a view to the devising of means for further extension and efficiency.

The question of the copyright laws as they affect the Colonies is a subject of such importance as to warrant careful consideration. It is not, however, at this moment necessary for me to enter into details upon this subject as fully as its importance demands, from the fact that I shall be enabled to lay before you the report of the Right Hon. Sir John Thompson, Premier and Minister of Justice of Canada, in which he deals fully with the subject; his report has been approved by the Governor in Council.

Having as briefly as possible, consistent with their importance, enumerated such subjects for consideration as have occurred to me as being of interest to all of Her Majesty's possessions, here represented, I leave for those specially interested therein the presentation of other subjects of interest to individual Colonies, some of which may prove to be even greater factors in the working out of the paramount problem, that of the consolidation by the drawing together and binding more closely on the basis of the greatest good to all of the geographically separate portions of the one great Empire, all of which I humbly trust will receive the most earnest and careful consideration of those here assembled.

PRINTING THE PRESIDENT'S ADDRESS.

Sir Adolphe Caron.—The address which you, Mr. Chairman, have just delivered I think is a most important one. It is really an address which might be looked upon as a programme. All the questions which the Chairman has touched are of the greatest possible moment, and every Colony represented in this Conference must feel that upon the result of the discussion of that paper the heavy work of the Conference will pretty well turn. I should suggest with your permission, Mr. Chairman, that, considering the importance of this address, it should be printed or type-written and a copy given to each member of the Conference, so that the subjects which are of importance to the various Colonies might be taken up by the gentlemen who represent such Colonies; and when the time comes for discussing it, from the fact of the paper having been in our hands for a few days it will be more convenient for the gentlemen representing the different Colonies to discuss the various subjects which are mentioned in that paper. I move that the address which you have delivered be type-written or printed. It can be done confidentially in the Printing Bureau; and a copy may be given to the various gentlemen representing the Colonies and afterwards a day can be fixed for discussing the subjects mentioned in it.

Hon. Mr. Suttor seconded the motion, and it was carried.

ORDER OF PROCEDURE.

Hon. Mr. Fitzgerald.—It might be convenient to members if an arrangement was made as to the order of procedure, and whether we should follow the order set out in this statement of the Chairman, or whether it is the wish of the Conference we should change that order. For my part I would say that I would like to see the question of the Pacific cable taken up at the earliest possible moment; and for this reason, that it is possible that during the discussion, if the members of the Conference should arrive at any conclusion, or should show such unanimity as will justify the act, that we should have the longest opportunity to communicate with our respective Governments on the subject, and thinking, therefore, that it will facilitate business, I respectfully throw out the suggestion that the Pacific cable should be the first in order of the public business to be transacted.

Hon. Mr. Playford.—I understand what has been done is a resolution that we are to take the Chairman's opening address into consideration, and evidently discuss the whole of the subjects contained in it. We are either to do that or discuss each subject separately. Of course, there are advantages in discussing the Chairman's address, as he has touched upon almost every subject that is likely to come before us—a general discussion first—and then a particular discussion on the several points afterwards; but that is a matter, of course, for us to decide. At the Imperial Conference no such course was adopted. Each matter was discussed separately, and was not mixed up with a general speech and statement on the whole of the questions under consideration. I contend, myself, that that course is the best. It will not save time by having the general discussion first. Although it may pave the way somewhat, and perhaps save a little time, there will always be a considerable amount of repetition. If we confine ourselves, therefore, to the discussion of each separate question on the distinct questions that may be moved or the propositions that may be laid before us, I think it will be a great deal better than having a general discussion first on the whole of the questions submitted to us.

Sir Henry Wrixon.—I think it will be the feeling of the Conference that we had better proceed to business, and by submitting a distinctive motion we could affirm what we desire. That would be better than a general discussion. I have prepared, before coming here, a motion on the subject you have, Mr. Chairman, so lucidly put before us, namely, giving the dependencies of the Empire power to enter into trade relationship with one another and with the mother country; and when I am in order I would like to submit that motion; and when the time comes it would be better to discuss that particular subject. At the same time, there is another motion which I wish to make. I would endorse what my co-delegate, Mr. Fitzgerald, has said, because I certainly think it would be the feeling of Victoria that, if it were the will of this Conference, it would be desirable to take the cable first.

Hon. Mr. Playford.—I think the best course to adopt would be that each member who has a proposal to make should hand it in, and we can discuss it.

The President.—It is, then, suggested and agreed that any delegates having a subject to bring before the Conference should indicate it by resolution, so that the other members could give it consideration. The subject suggested by Mr. Fitzgerald is a very important one, and a day should be set apart for its consideration, not earlier than Monday; so that Mr. Fleming, who has that subject under his especial direction, so far as Canada is concerned, could read whatever papers he might have; and the matter could then be discussed. I think, however, that the only practical way of arriving at anything like a conclusion upon any one subject is to take that one subject and deal with it alone. My object in preparing the paper which I laid before you was to present to the Conference the different subjects that suggested themselves to me; but I never supposed for a moment that it included all.

Sir Adolphe Caron.—I did not make myself quite understood. I did not at all suggest—and I think it would be a very inconvenient way of proceeding—that there should be a general discussion on this matter referred to in that address. My object in proposing to have it printed was that each of these different subjects could be taken up, separately of course. Whenever a day is fixed for any one of the subjects to be taken up, the document in question will serve as a kind of index to the discussion. We can take up the subjects one by one.

Hon. Mr. Thynne.—The paper which you have read brings forward to be dealt with by us the several subjects as stated by you, and we can deal with that subject as a whole on the day fixed for it.

Hon. Mr. Forrest.—I think the address contains almost every subject which will come before us.

Mr. Lee Smith.—I understand Mr. Fitzgerald has put a definite motion before the meeting.

Hon. Mr. Fraser.—It was a suggestion.

Hon. Mr. Fitzgerald.—I did not in any way wish the Conference to understand that it would not be facilitating business to adopt the suggestion of my friend Mr. Playford. I merely asked if it was the wish of Conference that we should invert, as it were, or alter, the order of procedure in the Chairman's paper, or whether we should take this particular subject for the reasons I briefly stated before. I quite agree that a resolu-

tion should be submitted in order formally to bring it before the meeting. Therefore, I am quite willing to adopt the suggestion.

Hon. Mr. Fraser.—There are only two matters we have to consider, the trade relations and the cable; and it is a very simple matter, indeed, to fix a day for the discussion of the question of the cable, because I imagine it will not be very convenient to take the cable forthwith. I understand my friend, Mr. Sandford Fleming, has to explain a good many matters; and it is just as well that we should be posted on these matters when the question comes up for discussion; and the suggestion which has been made that a day be fixed for the discussion of the matter of the cable, I think, is a desirable one. I think, however, that we should not waste time at present.

Mr. Lee Smith.—I understand Mr. Fitzgerald to suggest to the Conference the advisability of giving, at the earliest possible moment, their consideration to the matter of the cable, for the reasons he pointed out. I think it desirable that members should have an opportunity of conferring with their Governments. I would support Mr. Fitzgerald in that suggestion. I think it is the first thing we should take in hand, and I would like to see a definite resolution submitted to the Conference, with a view of seeing whether the majority of the members of the Conference are in sympathy with Mr. Fitzgerald's motion.

The President.—There can be no possible objection to that. I simply prepared the paper as the matters suggested themselves to my mind. We might commence with the last first, as far as that paper is concerned. It is only a suggestion thrown out of the different subjects to which I thought the attention of Conference should be drawn. If it is the wish of Conference, you might put in a motion that the question of the cable be fixed for Monday next; and by that time I trust our Finance Minister will be with us.

Hon. Mr. Suttor.—Will Mr. Fleming move the resolution?

The President.—No, I did not state that. Mr. Fleming is here to give all the information possible on that subject. We will take any motion any member wishes to make. Mr. Fleming will make no resolution because he is not in a position to pledge any Government, but I shall call upon him to open the discussion upon the subject when it is decided to consider it.

Hon. Mr. Fitzgerald.—We should consider the importance of this subject, and we should like the discussion to originate with the great Colony of New South Wales. We think it adds to the importance of the subject. It is simply formal to place the matter as a motion on the paper of this Conference. Mr. Fleming could then give us his views, which will enlighten us much, and then the matter can be opened up.

Hon. Mr. Suttor.—You wish me to move it?

Hon. Mr. Fitzgerald.—Yes.

THE PACIFIC CABLE.

Hon. Mr. Suttor.—I have no objection to that. I beg to give notice that I will on Monday next move:

"That, in the opinion of this Conference, immediate steps should be taken to provide telegraphic communication by cable, under sole British control, between the Dominion of Canada and Australasia."

The President.—Would it not be well to give it a wider significance?—That motion would not include the Cape.

Mr. Lee Smith.—I should like to see the words "Australia and New Zealand" in the resolution.

The President.—"Australasia" is the word used: that includes New Zealand. It is suggested that the words "The Cape" should be included in the resolution.

Hon. Mr. Suttor.—My idea is it should be to the Australasian Colonies. I do not see how you can bring in the Cape.

Mr. Lee Smith.—I should like my Colony included. People mix up the two places.

Hon. Mr. Suttor.—I do not think at this early stage we should determine on any route.

Sir Henry de Villiers.—The gentleman places it in the form in which he thinks it ought to be, and when we come to consider it, any of us can propose any amendment which we think advisable.

The PRESIDENT.—Mr. Lee Smith could move an amendment.

Mr. LEE SMITH.—I intend to do that.

Hon. Mr. SUTTOR.—I will put the motion in that way, and any member can move any amendment he desires.

The PRESIDENT.—Does not this meet all your wishes as it is? Have you not cable communication between New Zealand and Australia now?

Mr. LEE SMITH.—Yes, we have.

The PRESIDENT.—If you have communication between Canada and Sydney, you have a complete line.

Mr. LEE SMITH.—But there is a very great probability that, outside our own immediate circle of the Colonies, it may be considered that New Zealand is not in the scheme at all—those especially who do not read the proceedings of this Conference: and those people who are not familiar with the geographical position of the Australian Colonies will mix up the thing, and New Zealand will not be regarded as having been a party to this arrangement. I must press this point at the proper time if Mr. Suttor will not accept my suggestion now.

The PRESIDENT.—If Mr. Suttor presses his motion, you will have an opportunity to move an amendment.

Mr. LEE SMITH.—I will do it at the proper time.

The PRESIDENT.—Mr. Smith could give another notice of motion if he wishes. Mr. Fleming has just suggested to me that it would be well to follow the course pursued at the Colonial Conference in 1887, where the proceedings of each day were printed after the Conference rose and laid on the table next day. That is exclusively confidential. Then at the close of the Conference one or two would look over the proceedings and allow nothing to go into the record except that which we desire to be made public, but the discussions can take place freely and be fully reported and printed at night and handed in the next morning.

Mr. LEE SMITH.—I give notice that on Monday next I will move an amendment to Mr. Suttor's motion to the effect that the word "Australasia" be struck out, and the words "Australia and New Zealand" inserted in the place thereof.

Sir HENRY WRIXON.—I give notice that to-morrow I will move that provision should be made by Imperial legislation, enabling the dependencies of the Empire to enter into agreements of commercial reciprocity with Great Britain or with one another, without foreign nations being entitled to share therein.

MODE OF VOTING.

Hon. Mr. SUTTOR.—I think before we proceed to business there should be some arrangement as to the mode of voting. Some of the Colonies are represented by one delegate, some by two, and some by three. I suppose the voting should be by Colonies, but the matter should be placed beyond doubt. I think where a Colony is represented by three delegates, they are only entitled to the same vote as a Colony represented by one.

Hon. Mr. FRASER.—There is no other intention.

Hon. Mr. SUTTOR.—It is only a formal matter, but should be settled beyond a shadow of doubt as to the intention that we should vote in Colonies rather than in person, Before we come to a vote, we should put on record some determination to that effect.

The PRESIDENT.—Then you had better make a motion.

Hon. Mr. SUTTOR.—I am quite satisfied if the President gives the decision.

Hon. Mr. FITZGERALD.—Is that settled?

Mr. LEE SMITH.—I shall be quite satisfied.

The PRESIDENT.—It is understood that in the voting hereafter, it be by Colonies.

Several REPRESENTATIVES.—Yes.

Hon. Mr. SUTTOR.—I beg to move "That in all divisions in this Conference the voting shall be by Colonies."

Mr. LEE SMITH.—I second that.

The motion was agreed to.

ADMISSION TO THE CONFERENCE.

The Earl of JERSEY.—I would like to ask the delegates if there would be any objection when we are discussing points of detail, which we shall do shortly, to permit Mr. Mercer, of the Colonial Office, to be here, for the purpose of giving information? He is very well up in all these subjects.

The PRESIDENT.—Do you mean to have him in the outer room for consultation, or merely to listen?

The Earl of JERSEY.—I mean inside to listen, because he might be able to furnish information at once.

Mr. LEE SMITH.—I think it is all right so far as the Imperial Government is concerned, but I do not think it should be extended to anyone else.

The PRESIDENT.—If you extended it beyond that, you would have to let each of the secretaries in.

Sir ADOLPHE CARON.—I think it may be open to objection to let them all in, but as far as Mr. Mercer is concerned, it may be very much more convenient to have him here when questions are under discussion. I would not think it advisable to allow other secretaries to be present.

The PRESIDENT.—I will read the despatch to the Canadian Government *re* the appointment of the Earl of Jersey, since it refers to Mr. Mercer. (Despatch given on page 372, read.) I think, under these circumstances, there will be no objection to Lord Jersey's suggestion. Mr. Mercer is an Imperial official.

RELATIONS WITH THE PRESS.

Hon. Mr. PLAYFORD.—I think it should be distinctly understood among us, what information is to be given to the press, because they will be bothering us, and I think the most satisfactory way is that the Chairman should give such information to the press as he thinks they ought to receive, and no other member to say anything. When they are asked, they simply refer the press to the Chairman.

This suggestion was agreed to.

HOURS OF SITTING.

Mr. LEE SMITH.—Would not it be advisable to determine what hours we sit each day?

The PRESIDENT.—The suggestion made by Mr. Lee Smith is a good one, to decide what time in the morning we should come, what time we should rise for lunch, and how late in the day we should sit.

After a short discussion, it was arranged that Conference should meet in the morning at 10.30, rise at 1 p.m. for lunch, resume at 2.30 and sit till 4.30.

THE QUESTION OF COPYRIGHT.

The PRESIDENT.—I intimated that I would lay before Conference the correspondence* of Sir John Thompson on the question of copyright, and also a letter written by him while at the Westminster Palace Hotel, London, in 1890. You will find them historical, and treatises upon the whole subject. Whether it affects the other Colonies as it does us, I am not prepared to say. Referring to the way it affects us here, I may add that as the law now stands it has closed every publishing establishment we had in Canada. We formerly had large publishing establishments, Lovell's, in Montreal, Hunter, Rose & Co., in Toronto, and a number of others. They have all been closed. In fact, under the law as it exists in the United States and Canada, we cannot publish a book here. Formerly, the effect of the copyright law was this: We imposed 15 per cent. duty for revenue purposes upon all books, with certain exceptions, and on all English copyrights we imposed an additional duty of 12½ per cent., which 12½ per cent. was remitted to the Colonial Office, to be distributed among the copyright holders, or owners of the books, in England, quarterly. Collectors of Customs along the line were instructed to seize all copyright books, unless properly entered, as contraband goods. Even by this system, copyright owners were not properly protected, because books were entered in newspaper and pamphlet form and in other ways. Our suggestion has been to allow the treatment of them here the same as they are dealt with in the United States, and impose an excise duty for the publisher, make it punishable if he issued an

* Not printed.

English copyright book without being stamped with the Inland Revenue stamp, the proceeds from the sale of these stamps to go to the copyright owners. My opinion is that it would be better protection for the author, and at the same time enable us to do a large amount of publishing work. Our lately revised tariff provides that after the 1st of July next we shall collect no additional duty on copyright books. We have been made the servants of all the copyright owners in the past, while our own law is sufficiently stringent to prevent importation altogether; if an author in London sold his copyright to a publisher in Canada, that publisher would have the exclusive right to issue in Canada; all importation from foreign countries would be contraband, and seized the same as other smuggled goods. We seized over 10,000 copies of one work. Books came in by tens of thousands in the Seaside Library form, stereotyped, printed on very light paper, and sold for 25 cents. Well, a man reads a work of that kind, and that is all he cares about it. It is an important subject as far as the publishing interest is concerned. It may not affect Australia so much, because it has not 3,000 miles of a border to protect as Canada has.

The Earl of JERSEY.—The subject has been discussed in England and there is a committee sitting on it now.

The PRESIDENT.—Under the circumstances to which Lord Jersey has referred, it may not be necessary for this Conference to consider the question of the copyright law, but wait the result of the finding of that committee.

PUBLICATION OF THE PROCEEDINGS.

The PRESIDENT.—The official reporters will furnish a copy of the discussion each day. It will be printed; and then, after you have read your speeches, if there is anything you would like to go on the official record, so amend it and correct it, and hand to the Secretary. I notice that Sir Henry Holland, who was president of the last Colonial Conference, reserved to himself the right to say what should be published and what should not, and after he had examined critically the speeches they were given to the printer. Anything he considered of a private character which the world should not know was eliminated. I have told the official reporter to send to you, as soon as in type, the proof sheets of the remarks that you have made, when you can make such corrections as you deem necessary for the official record.

THE APPOINTMENT OF SECRETARIES.

Hon. Mr. FITZGERALD.—No formal motion has been offered to the chair for the appointment of a secretary. I think it is always done.

Sir CHARLES MILLS.—No. I do not remember any motion in the other Conference.

The PRESIDENT.—I notice in the original despatch, dated 25th November 1886, Hon. Mr. Stanhope, who was then Colonial Secretary, told the Colonial Governments he would take the chair as a matter of course; and when they met, Sir Henry Holland followed that rule and took the chair. He brought his secretary to act as secretary of the Conference. I have pursued the same course by asking my private secretary, Mr. Payne and Sir John Thompson's private secretary, Mr. Stewart, to act. Mr. Stewart and Mr. Payne will be joint secretaries of the Conference.

ELECTION OF VICE-PRESIDENT.

It was resolved that, in the absence of Hon. MACKENZIE BOWELL, Sir ADOLPHE CARON should preside.

The Conference adjourned at 1.10 p.m. to meet to-morrow at 10.30 a.m.

DOUGLAS STEWART,
J. LAMBERT PAYNE,
Joint Secretaries of the Conference.

Office of the Minister of Trade and Commerce, Ottawa,
June 30, 1894.

The Conference resumed at 10.30 a.m.

Owing to the absence of the Hon. MACKENZIE BOWELL, who had to leave the city on private business, Sir ADOLPHE CARON, Vice-President, presided.

DELEGATES PRESENT:

The Imperial Government—THE RIGHT HON. THE EARL OF JERSEY, P.C., G.C.M.G.
Canada—HON. SIR ADOLPHE CARON, P.C., K.C.M.G.
HON. GEORGE E. FOSTER, P.C., LL.D.
SANDFORD FLEMING, ESQ., C.M.G.
New South Wales—HON. F. B. SUTTOR, M.L.A.
Tasmania—HON. NICHOLAS FITZGERALD.
Cape Colony—SIR HENRY DE VILLIERS, K.C.M.G.
SIR CHARLES MILLS, K.C.M.G., C.B.
South Australia—HON. THOMAS PLAYFORD.
New Zealand—A. LEE SMITH, ESQ.
Victoria—SIR HENRY WRIXON, K.C.M.G., Q.C.
HON. NICHOLAS FITZGERALD, M.L.C.
HON. SIMON FRASER, M.L.C.
Queensland—HON. A. J. THYNNE, M.L.C.
HON. WILLIAM FORREST, M.C.L.

HER MAJESTY'S ACKNOWLEDGMENT.

Sir ADOLPHE CARON.—I would like to read to the Conference a letter which was addressed to our Chairman, Mr. Bowell, by Capt. Urquhart, A.D.C., transmitting to him an answer by telegram from Her Majesty to the address which was passed at the Conference the other day :—

"DEAR MR. BOWELL,—His Excellency directs me to send you the inclosed copy of a telegram which he has just received in reply to a telegram he sent yesterday to Her Majesty, on the subject of the address which you asked to have sent on the occasion of the first meeting of the Conference. His Excellency is sure that you and the other members of the Conference will agree with him that the gracious reply is very gratifying."

The cable reads :—

"Windsor Castle.

"My sincere thanks for your kind congratulations."

GOOD WISHES FROM EDINBURGH.

Sir ADOLPHE CARON.—I would like also to read a telegram which has just been received from Edinburgh :—

"President, Colonial Conference,
"Ottawa. Edinburgh, 26th June 1894.

"Edinburgh Imperial Federationists express satisfaction at meeting of Conference. Hope great question naval defence will also be considered and Imperial unity consolidated.

SIMPSON."

CANADIAN POSTAL SYSTEM.

Sir ADOLPHE CARON.—At our last meeting, I mentioned to you that I had prepared a short paper on the Post Office Department, over which I preside, and had it printed. I thought it would save time and it would be more convenient for the members to lay a copy of it before them. If you will allow me, I will distribute it. The paper was as follows :—

POST OFFICE DEPARTMENT, CANADA.

ORGANISATION.

The Post Office Department of Canada is under the control of a Postmaster General who is a member of the Privy Council and may be a member either of the Senate or House of Commons. The Postmaster General is assisted in the general management of the business of the department by a deputy postmaster general.

The post office service is divided into two divisions—the inside service and the outside service. The inside service comprises the staff at headquarters where the business is distributed amongst the following branches :—

The secretary's branch has charge of the general correspondence with the public, with foreign post offices, and with the offices of the outside service. The secretary has charge of the establishment of new post offices, of all appointments and promotions in the staff of both the inside and outside service and of the appointments of all postmasters; he has custody of the bonds given by all postmasters for due fulfilment of office. He has also charge of the inquiries respecting missing letters.

The accountant keeps all books of account and is responsible to the Postmaster General for the prompt collection of post office revenue, and for the examination of all vouchers for expenditure and for the payment of all accounts.

The superintendent of the money order office has the supervision of all duties connected with the issue and payment of money orders, and conducts the correspondence connected therewith.

The savings bank business is under the charge of a superintendent, to whom is delegated the charge of all matters connected with the receipt and withdrawal of savings bank deposits.

There is also a separate branch, called the dead letter office, under charge of a superintendent, for the receipt and disposal of all undelivered correspondence, including parcels and everything transmissible by post.

Another branch of the department is the printing and supply branch, the superintendent of which has the sole charge of the ordering, receipt, custody, and distribution of the printed forms, stationery, mail bags, locks, stamps, and all other stores used in the post office service.

The charge of the mail service, including letting, execution, and general supervision of mail contracts, and the correspondence connected therewith, is also confided to a superintendent, and forms a separate branch.

The remaining branch is the stamp branch, the superintendent of which has charge of the ordering, receipt, and issue of all postage stamps, cards, wrappers, bands, and stamped envelopes.

OUTSIDE SERVICE.

To ensure a proper supervision over the working of the department in its relation with the public, the Dominion is divided into fifteen divisions or districts, each of which is in charge of a post office inspector, who superintends the performance of the ordinary mail service and of the railway mail service, establishes post offices, carries on inquiries respecting missing letters, investigates complaints, and does all those things which have of necessity to be done by local officers.

A certain number of the more important offices, such as Montreal, Toronto, and Ottawa, are included in what is technically known as the outside office service of the post office—the postmasters and clerks are appointed by the Governor General in Council and are paid fixed salaries, come under the provisions of the Superannuation Act, and together with the post office inspectors and their clerks and the railway mail clerks, comprise the outside service of the post office. Postmasters generally are not included in what is known as the Civil Service.

NUMBER of PERMANENT and EXTRA EMPLOYÉES on the STAFF of the OUTSIDE SERVICE of the POST OFFICE DEPARTMENT.

POSTAL DIVISIONS.

Rank or Class.	Permanently employed.	Temporarily employed.	Total.
Chief post office inspector	1	—	1
Post office inspectors	14	—	14
Assistant post office inspectors	19	—	19
First class clerks	8	—	8
Second class clerks	32	—	32
Third class clerks	42	16	58
Messengers	12	2	14
Chief railway and mail clerks	9	—	9
British mail clerks	2	—	2
First class railway mail clerks	67	—	67
Second class railway mail clerks	151	—	151
Third class railway mail clerks	150	29	179
Mail transfer agents	11	2	13
Total	518	49	567

NUMBER of PERMANENT and EXTRA EMPLOYÉES on the STAFF of the OUTSIDE SERVICE of the POST OFFICE DEPARTMENT—*continued.*

CITY POST OFFICES.

Rank or Class.	Permanently employed.	Temporarily employed.	Total.
Postmasters	16	—	16
Assistant postmasters	14	—	14
First class clerks	26	—	26
Second class clerks	80	—	80
Third class clerks	347	60	407
Letter carriers	461	59	520
Messengers and porters	32	28	60
Total	976	147	1,123
Total Postal Divisions	518	49	567
Total City Post Offices	976	147	1,123
Total	1,494	196	1,690

NUMBER of PERMANENT and EXTRA EMPLOYÉES on the STAFF of the INSIDE SERVICE of the POST OFFICE DEPARTMENT.

Rank or Class.	Permanently employed.	Temporarily employed.	Total.
Deputy head - - - -	1	—	1
Chief clerk - - - - -	8	—	8
First class clerks - - - -	11	—	11
Second class clerks - - - -	40	—	40
Third class clerks - - - -	121	24	145
Messengers - - - - -	6	3	9
Packers - - - - -	25	19	44
Copyists - - - - -	—	14	14
Total - - -	212	60	272

HISTORY.

Upon the confederation of the provinces in 1867, an Act known as the "Post Office Act, 1867," was passed by the Parliament of the Dominion. This Act took effect from the 1st of April 1868, and from that date a uniform system of post office organisation was established throughout the provinces of the new Dominion. The domestic rate of postage was reduced from five cents to three cents per half ounce, the rate to the United States was reduced from ten cents to six cents the half ounce, and reductions were also made in the rates of postage upon newspapers, periodicals, and other miscellaneous matter.

On 1st January 1869 there were 3,638 post offices in the Dominion. The revenue of the department was $1,024,701.

The money order business having been in operation for several years before the confederation of the provinces, this branch of the post office service was continued, with such changes in detail as were necessary to secure uniformity throughout the Dominion.

An Act authorising the establishment of a post office savings bank was passed in December 1867, and on 1st of April 1868, 81 of the principal post offices in Ontario and Quebec commenced to receive deposits on savings bank account. As there were already in existence in the provinces of Nova Scotia and New Brunswick Government savings banks, it was not thought expedient to extend the post office system to those provinces until some experience had been had of its working in Ontario and Quebec.

On 1st January 1870 the rate of postage upon letters from Canada to the United Kingdom was reduced from 12½ cents the half ounce to six cents per half ounce.

When the post offices of the several provinces of the Dominion came under a central administration at Ottawa in July 1867, it was found that there was great diversity of practice in the mode in which postmasters were compensated for their services, some being paid by a regular fixed salary, some by commission on the business of their offices, and some partly by commission and partly by salary.

A general scale of compensation was therefore adopted—a minimum salary of $10 a year to all small offices where the business did not warrant a higher payment, and in all other cases a salary equal to 40 per cent. on all postal business up to $800 a year, and 25 per cent. on all business over that amount, and a special allowance in addition where the work had to be done during the night, and for forwarding or distributing mails for other offices. This change took effect from the 1st of January 1870—salaries to be revised every two years.

Regular mail communication was first opened with Fort Garry (now Winnipeg) in 1870, the mails being sent by Chicago, St. Paul, and Pembina.

In 1871 arrangements were made for mail service to British Columbia; the mails were made up at Windsor, Ontario, and sent to San Francisco, whence they were conveyed by sea to Victoria.

The inclusion of the provinces of Manitoba and British Columbia necessarily involved the department in heavy expenditure to maintain communication with the older provinces throughout the vast extent of country lying between the great lakes of Ontario and the Pacific Ocean; one of the first routes established was from Winnipeg, then known as "Fort Garry," to Pembina, at a cost of three thousand dollars ($3,000) a year, another was from New Westminster to Barkerville, in British Columbia, 486 miles, at an annual cost of sixteen thousand dollars ($16,000).

Post cards were first issued to the public in June 1871; the convenience thus afforded was rapidly availed of, and nearly one million and a half were issued between June 1871 and January 1872.

In 1872 the rate of postage upon letters sent from Canada to Newfoundland was reduced from 12½ cents to six cents per half ounce, and the rates of postage upon other matter made the same as within the Dominion.

The organisation of the postal service in Manitoba and British Columbia having been completed, the postal business of those provinces appears for the first time in the report for 1872.

From 1st of July 1873 all payments for salaries and other disbursements on account of the city post offices were made from a special appropriation by Parliament, instead of being paid out of postages collected at the several offices as had hitherto been the practice,—

The amount collected for postage being from the above date paid in to the credit of the Receiver General.

In 1873 an arrangement was made for an exchange of money orders between Canada and British India, and in this year the money order system was also extended to Manitoba.

Prince Edward Island entered the Dominion in July 1873, and arrangements were at once made for bringing the postal system of that island into harmony with the rest of the Dominion.

The system of free delivery by letter-carriers of letters and newspapers was commenced in 1874 in Montreal and in Toronto, and preparations were made for extending the system to such of the other cities as might by extent of postal business seem to be entitled to such additional accommodation; street letter boxes for the reception of letters were also introduced in the larger cities and towns, and persons to be called stamp-vendors were authorised to sell postage stamps to the public. Up to this time, postage stamps could only be obtained from postmasters.

In 1874 an important change was made in the treatment of dead letters: heretofore such letters only as appeared to be of value or importance had been returned to the writers; but it was decided that, owing to the

unsatisfactory character of the discrimination which a cursory examination of the letters rendered possible, the system should be changed and all such letters should in future be returned to the writers.

In October 1874 a treaty for the formation of a General Postal Union, and the adoption of uniform postage rates and regulations for international correspondence, was arranged and signed at Berne, in Switzerland, by representatives of the principal nations of the world, including the United States.

This treaty did not include the British possessions beyond the sea, but Canada, with the concurrence of the British Government, at once applied for admission as a member. Meanwhile, the letter rate of postage between Canada and the United Kingdom was, by an arrangement with the Imperial Post Office, reduced to the international rate of 2½*d.* sterling, or five cents, the half ounce.

The Canada Official Postal Guide was first published in 1874.

Post bands were first issued in 1873.

In February 1875 a postal convention was made between Canada and the United States for the reduction of postal charges and general simplification and the improvement of the postal intercourse between the two countries.

Under this convention an arrangement was made by which each country gave conveyance over its mail routes to the closed domestic mails of the other free of charge when passing in transit through its territory; and letters, newspapers, and other ordinary mail matter, posted and prepaid in either country the ordinary domestic rates of that country, were to be delivered at destination in the other without further charge for postage.

A further convention was made in June 1875, to take effect from the 2nd of August 1875, for a direct exchange of money orders between the United States and Canada.

In April 1875 an Act to amend and consolidate the Statute Law for the regulation of the postal service was passed, to come into force on the 1st of October 1875.

By this Act changes of much importance were made in the postal system of Canada, chiefly in the adoption of the principle of compulsory prepayment of the postage upon all letters, newspapers, and other mailable matter passing within the Dominion, and in the reduction of the rates on newspapers, periodicals, and miscellaneous matter.

The new rates of postage were: letters three cents per half ounce, drop-letters one cent per half ounce, post cards one cent each, newspapers and periodicals from the office of publication to regular subscribers one cent per pound bulk weight, transient papers and books one cent per four ounces, parcels 12½ cents per eight ounces. Request letters—that is, letters having printed thereon the name and address of the sender, with the request that such letters, if not delivered within a certain time specified thereon, might be returned direct to the writer without passing through the Dead Letter Office, were first recognised by the Department in November 1875.

The free delivery of letters by letter-carrier was extended to the cities of Quebec, Ottawa, Hamilton, St. John, and Halifax in 1875.

In July 1876 the opening of the Intercolonial Railway afforded means of communication by rail between the Western and the Maritime Provinces, by which a great acceleration in the transmission of mails to and from the Western Provinces and Halifax and St. John was effected.

The opening of this railway also enabled the Post Office Department to make an arrangement for embarking and landing the mails for and from Europe by the Canadian line of mail steamers at Rimouski, a point on the Intercolonial Railway, 191 miles east of Quebec, by which a very considerable saving of time in the transmission of these mails to the principal cities in the Dominion was effected. During the winter, the mails were landed at Halifax instead of being carried on to Portland, Maine.

The establishment, in November 1876, of a mail service between Winnipeg and Edmonton, a distance of 900 miles, left but little more to be done to complete the service from Halifax to Vancouver.

The postage on letters to Newfoundland was reduced to five cents per half ounce, and the registration fee on each registered letter passing between the United Kingdom and Canada was reduced from eight cents to five cents.

In January 1877 an arrangement was made with the General Post Office of the German Empire for a regular direct exchange of correspondence, and the rate of postage upon letters was reduced to five cents the half ounce; reductions were also made in the postage upon other classes of correspondence.

By the convention of Paris, dated 1st June 1878, Canada was admitted to be a member of the General Postal Union from the 1st July 1878, and in consequence the rate of letter postage between Canada and all Europe became one uniform charge of five cents per half ounce.

Newspapers, printed matter, and samples and patterns of merchandise became subject also to uniform postage rates and regulations for all destinations in Europe.

The existing postal arrangements between the United States and Canada were by mutual agreement allowed to remain undisturbed by the entry of Canada into the Union.

The postal agreement between the Post Office of the German Empire and Canada expired, however, as provided by the agreement.

In June 1880 an amended convention was made between the Post Office Department of the United States and the Post Office Department of Canada for the purpose of making certain alterations in the system under which money orders were exchanged between the United States and Canada. Under this Convention, the maximum amount of each money order was fixed at fifty dollars, with power to increase the amount to one hundred dollars by mutual agreement between the two Post Office Departments. The maximum amount of a money order had previously been forty dollars.

The rate of commission was fixed at ten cents for any sum not exceeding ten dollars, and ten cents additional for every ten dollars or fraction thereof.

In 1881 an agreement was entered into for the establishment of direct steam communication between Canada, the West Indies, and Brazil, the first steamer of the line, the "Comte d'Eu," arrived at Halifax from Rio de Janeiro on the 31st of December 1881, with mails from Rio de Janeiro, Bahia, Pernambuco, Para, and St. Thomas, West Indies, and sailed from Halifax, on the return voyage, on the 11th of January 1882.

On the 17th May 1882 an Act was passed which came into force on the 1st of June 1882, by which (under certain conditions as to form and manner of posting) newspapers and periodicals printed and published in Canada and mailed by the publisher in the post office at the place where they are published, and addressed to regular subscribers or newsdealers in Canada, resident elsewhere than in the place of publication, were transmitted by mail to their respective addresses free of postage.

On the 1st of July 1882 the charge for commission on the issue of money orders in Canada payable in the United Kingdom was reduced to the same scale as that agreed upon with the United States in the Amended Money Order Convention of 1880.

A convention for the exchange of money orders between France and Canada was signed by the Earl Granville, Secretary of State for Foreign Affairs, and M. Waddington, Ambassador of France to the Court of St. James, on 20th of June 1884, and went into operation on the 1st of November following.

During the years 1883 and 1884 special money order conventions were made between the Post Offices of the German Empire, Italy, Switzerland, and Belgium and Canada, and arrangements were made by which Canada could exchange money orders with Germany, Italy, Belgium, Switzerland, Austria, Sweden, Norway, Denmark, the Netherlands, Barbados, and Jamaica, Victoria (Australia), Tasmania, and New Zealand, and generally with all British possessions and foreign countries with which the British Post Office had money order arrangements.

On the 1st of January 1885 a post office and money order office was established for the convenience of the large number of men engaged in connexion with the construction of the Canadian Pacific Railway, the post office and home of the postmaster being in a railway car which had been fitted up as well as circumstances would permit for that purpose. As the laying of the track progressed, the car moved westward until the section of the road coming eastward was met when, the necessity for the office having ceased, the "end-of-track" post office became a thing of the past. To give an idea of the convenience afforded by this office, it may be stated that during the ten months in which it was in existence, money orders to the value of $65,304.00 were issued there.

On the 1st of November 1885 the main line of the Canadian Pacific Railway was completed to Winnipeg, and a mail service by railway, with postal car and mail clerks in charge, was commenced from Montreal and Ottawa to Winnipeg, the trip being made in about sixty-six hours—the distance 1,430 miles.

On Monday, 29th of June 1886, the first through train left Montreal for the Pacific, and reached Port Moody, the then western terminus of the Canadian Pacific Railway, on the 4th of July. This train carried a post office car in the special charge of the chief Post Office Inspector, Mr. John Dewe, under whose supervision the arrangements which had already been made for daily postal car service over the whole line of 2,892 miles went into operation.

The Canadian Pacific Railway thus, in connexion with the railways already in existence in Quebec and the Maritime Provinces, afforded a continuous daily line of mail service by postal car over Canadian territory from the Atlantic to the Pacific, a distance of 3,740 miles.

In August 1885 an arrangement was made with the Imperial Post Office for the transmission of closed parcels by mail between the two countries, no single parcel to exceed three pounds in weight.

On the 1st of September 1885 the Post Office Savings Bank system, which had for several years been in operation in the provinces of Ontario and Quebec, was extended to Nova Scotia and New Brunswick.

The completion of the Canadian Pacific Railway to the Pacific Ocean enabled the Canadian Post Offices to send mails direct to China and Japan by vessels sailing to and from Vancouver.

An amended postal convention for the purpose of making better postal arrangements between the United States and the Dominion of Canada was signed in January 1888. One of the chief provisions was the admission to the mails of a variety of miscellaneous articles so put up as to be liable to inspection, at a rate of postage of one cent per ounce, an arrangement which afforded great convenience to the people of both countries.

The above was amended by a further convention, signed on the 25th of April 1888, establishing a uniform rate of one cent per ounce upon all merchandise, and a rate of one cent for two ounces upon all books, pamphlets, circulars, and all printed matter generally.

On the retirement from office, after a service of forty-eight years, of Mr. H. A. Wicksteed, the accountant of the Department, the several accounting branches of the Department were placed under the control of one officer, who was called the Financial Comptroller, but the change was not found to meet the expectations which had been formed of its utility, and on the death of Mr. J. Cunningham Stewart, who had been appointed to the office, the position was not, and has not since been, filled.

The 1st of July 1888, was marked by the retirement of Mr. W. H. Griffin, Deputy Postmaster General, after a service of fifty-seven years; he had been the permanent head of the Post Office of Upper and Lower Canada from the time when the control of the Department was handed over to the Provincial authorities in 1851, until confederation, and Deputy Postmaster General of the Dominion from that time until his retirement. He was succeeded by the present Deputy Postmaster General, Lieutenant Colonel William White, who had been secretary of the Department since 1861.

In June 1889 a convention was signed with Japan for a direct exchange of money orders between Japan and Canada, the conditions being similar to those in the conventions already made with other countries.

By the Post Office Act of 1889 the limit of weight of a single rate letter was increased from half an ounce to an ounce; the rate upon drop-letters was fixed at two cents the ounce. The charge for registration was also made uniform and fixed at five cents.

The mail service established between Canada, the West Indies, and Brazil some years since did not answer the expectations formed of it, and was finally discontinued. In January 1890, however, it was thought that, as far as the West Indies at any rate, such a service might be re-established with advantage, and a service was therefore inaugurated between St. John, New Brunswick, and Demerara, touching *en route* at some of the West India Islands.

Through the courtesy of the Imperial Post Office an arrangement was made by which parcels could be received from or forwarded to (*viâ* England) all countries with which the United Kingdom has a parcel post.

A convention, taking effect from 1st of October 1890, was made with Japan for the establishment of a parcel post between the two countries, and a similar convention with Barbados, taking effect from 1st of April 1891.

On the 28th of April 1891 there arrived at Vancouver the magnificent steamship "The Empress of India," the first vessel of the line which had been established by the Canadian Pacific Railway Company under the contract with the Imperial Post Office. The route taken by this line between Vancouver and China and Japan is 300 miles shorter than any other route from the American continent, and, as the vessels of the line run at a high rate of speed, the time hitherto taken to reach China and Japan has been materially lessened.

A convention for a direct interchange of money orders between Canada and the Leeward Islands was concluded on 11th of February 1892. Similar conventions were concluded between Canada and Bermuda on

the 6th of December 1892, and between Canada and British Guiana on the 7th of December 1892. A convention was made with British Guiana for a direct exchange of parcels on the 7th of December 1892.

Arrangements were also made for increasing the weight of parcels sent between Canada and the United Kingdom from seven pounds to eleven pounds and for a slight reduction in the charge upon all parcels exceeding one pound in weight.

The arrival at Vancouver, on the 9th of June 1893, of the "Miowera" which had sailed from Sydney on the 18th of May, marks an epoch in the history of the Canadian post office, which may well be the starting point from which a great future may develop, and, whilst it is the last event to be reached in this short sketch of the growth of the Canadian post office since the confederation of the North American Colonies, no event which has occurred is more pregnant with interest to the inhabitants of both Canada and Australia, or more likely to exercise an important influence upon that Empire to which we are all so proud to belong, because, in connexion with the fast service across the Atlantic, and the wonderful facilities afforded by the Canadian Pacific Railway for the transmission of mails and passengers between Vancouver and Halifax, it will make Canada the great highway to the Australian Colonies and the islands of the Pacific, as it already is becoming to China and Japan.

A comparison of the transactions of the Canadian post offices for the year ended 30th of June 1868, with those for the year ended 30th of June 1893, will show at a glance the enormous increase in the operations of the department during the quarter of a century which has elapsed since the confederation of the provinces.

For the year ended 30th June 1868, the revenue was $1,024,701.98.

For the year ended 30th June 1893, the revenue amounted to $3,696,062.36, an increase of $2,671,360.38.

At the close of 1868, there were, in Canada, 3,638 post offices; on 30th of June 1893, 8,477 post offices were in operation.

On the 30th of June 1869, the total amount standing to the credit of depositors in the post office savings bank was $856,814.26. On the 30th of June 1893, the amount was $24,153,193.66.

Classification of Balances to the credit of Depositors on 30th June, 1893:—

	Number.	Amount of Balances.	Average Balance.
		$ cts.	$ cts.
Amounts of $500 and under	99,657	10,312,558 76	103 47
do. over $500 and under $1,000	9,200	6,421,018 96	697 94
do. of $1,000 and over	5,418	7,419,615 94	1,369 44
Total	114,275	24,153,193 66	211 36

The amount paid for mail service upon railways in 1868 was $196,247.94, in 1893 it was $1,217,651.71.

ADOLPHE P. CARON,
Postmaster General.

INTERCOLONIAL RECIPROCITY.

Sir Adolphe Caron.—As to the work for the day, I think Sir Henry Wrixon gave notice that he would move:

"That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity with Great Britain or with one another, without foreign nations being entitled to a share therein."

Sir Henry Wrixon.—Mr. Chairman and Gentlemen, I have very few remarks to make and do not intend to detain you long. The motion has been read by the Chairman, and I only wish to say that there is a trifling amendment which has been suggested by Mr. Thynne, in order to make it more plain, the adoption of which I now move; and when that amendment is inserted it would read:—"Enabling the dependencies of the "Empire to enter into agreements of commercial reciprocity, including the power of "making differential tariffs with Great Britain or with one another, without foreign "nations being entitled to share therein." Now, I would wish to indicate briefly exactly what is included in my motion, for there are some matters cognate to this question which I have not included. The question arises in a manner that can be well illustrated by the case of Victoria, the Colony which I represent. The case of the other Australian Colonies is the same, and also, I think, there is a similar condition with regard to some of the other dependencies of the Empire; but I will illustrate it by the case of Victoria. By our original Constitutional Act, the Imperial Parliament gave us the power of levying customs duties, but added to that general power a restricting proviso that there should be no differential rates. So the law stood for a considerable time. In a few years the question was raised whether we in Australia should not be allowed to make commercial treaties between ourselves and support those treaties by differential rates. This view was submitted to the Imperial Government, and they, with the consideration with which they always treat their dependencies, at once agreed, and introduced a Bill in the year 1873 enabling the Australian Colonies to carry out

that object and repealing the proviso in the original Constitution Act. Thus the law now stands that any of the Australian Colonies can enter into commercial treaties with one another, and can support those treaties by differential tariffs, which, of course, are not open to the rest of the world to avail themselves of.

Hon. Mr. Foster.—Not to Great Britain?

Sir Henry Wrixon.—I say the whole of the rest of the world outside the Australian Colonies. The Act of 1873 was strictly limited to the Australian Colonies, and it recited that, for the purpose of enabling them to enter into agreements of a commercial nature with one another, the proviso restricting and prohibiting differential tariffs was repealed; and they are put in this position now that, as regards Australia, we can enter into any commercial agreements we like, and support those agreements by differential tariffs; but we cannot do that with regard to the mother country or with regard to any of the dependencies of the Empire other than Australia. The simple object of my motion is to remove that proscription, and to extend the power given by the Imperial Act of 1873 beyond the limits of the Australian Colonies, and to make it apply to the whole Empire; so that, for example, if any of the Australian Colonies wish to enter into, and were able to enter into, a commercial treaty with Canada, we would be able to support that commercial treaty by levying differential rates. At present, we cannot do it, and it is simply an extension of the power already given by the Imperial Parliament—from the Australian Colonies to the other dependencies of the Empire, and to Great Britain as well. That is a very narrow and simple purpose that I propose, and one to which I do not think any objection will be taken. I am sorry to say that we in Australasia have not availed ourselves of even the power we have to the extent I would wish; and I hope we may gain wisdom by going abroad, and the same power to enable us to enter into commercial arrangements with other dependencies of the Empire, such as Canada, will be of use to us at home as an example and instruction. I have said I do not think any difficulty will be felt about passing this motion as it is. We know that a much greater power has already been conceded to Canada, and to the Cape, and that they practically are enabled to conclude commercial treaties with foreign powers. That power has been conceded to Canada; it has been exercised more than once. It has been conceded to the Cape, and has been exercised in the Cape. Of course it is done, as it ought to be done, through the Imperial Government, but still it is practically enabling the Dominion of Canada and the Cape to actually conclude commercial treaties with outside powers; and therefore, when that large concession is made to Canada and the Cape, I have no doubt there will be no objection to the smaller concession I ask with regard to the Australian Colonies and those other dependencies which are in a similar position. Now I say that is a perfectly simple matter, and I do not think there will be much difficulty about it; but I wish to say a word about two other matters which are cognate to this, because question may be raised not so much about what I have put in the motion as what I have left out. And I wish to point out clearly to the Conference that I deliberately omitted two matters that might possibly be thought to come within the scope of this subject. The question has been raised as to whether there should not be a formal recognition of the right of a dependency of the Empire to enter into treaties themselves with foreign powers. That question was raised in Australia, I think, this last year; at any rate, we expressed the opinion that the time had come when that power ought to be absolutely recognised—the power of dependencies to make commercial treaties for themselves. Well, all I can say is that I am not prepared to include that in my motion, and in my opinion it ought not to be formally recognised. I do not myself understand how it is consistent with the unity of the Empire which we all wish to promote. I do not see how it makes in that direction at all if you were to formally recognise any authority on the part of a dependency to enter into arrangements for itself. I do not know that I have ever thoroughly understood the position which the Imperial Government takes with regard to the power which they have already allowed to Canada and the Cape, because we all know that nations can only know one another through the supreme head. Each nation is an entity as regards any other nation, and I have no knowledge of how you could recognise a part of an Empire making arrangements for itself. If you look at the thing in the last resort, supposing conflicts arose, or cause of war, the foreign power that had cause to complain of the breach of a commercial treaty must naturally look to the head of an Empire, and they could not be put off by telling them to look for satisfaction to the dependency. If any foreign power made an arrangement with the Cape, and had cause to complain, and wanted to enforce any proviso, they must go to the Empire of Great Britain; and, therefore, as far as I can understand it,

I am quite against any attempt to recognise the right of a dependency of the Empire to act on its own behalf. Everything must be done through the head of the Empire when we are dealing with foreign nations. One nation is one individual, and it can only deal with other nations on that basis; therefore I deliberately excluded any reference in my motion to that subject, and I may only add that I think it is quite unnecessary to refer to it, because we can have no doubt that the Imperial Government will extend the same consideration to all the dependencies of the Empire that it has already extended to Canada and the Cape, if in any case any dependency of the Empire shows that it has good ground for entering into a commercial treaty outside. I have not the slightest doubt that the Imperial Government would do that for other dependencies what it has already done for the premier dependency of Canada and the Cape.

Hon. Mr. FITZGERALD.—Do you wish it done by legislation?

Sir HENRY WRIXON.—No. I do not understand how it can be done, because I have no idea of a nation as anything else than one complete unity with regard to an outside nation, and I cannot understand a dependency of the Empire arranging with an outside power; and I presume where the Imperial Government has allowed Canada and the Cape to make arrangements, the Imperial Government itself has contracted and would be prepared to vindicate the conduct of the dependency in the last resort. I understand that, when occasion desires, the dependency informs the Imperial Government of its desire to enter into certain arrangements. The Imperial Government authorises its Minister at the Court of the Power which is to be treated with to carry on that negotiation; and then, technically, it is the Empire which makes the treaty. In our country, some claimed more than this right. I repudiated any such position. I think it is not consistent with the unity of the Empire, and I added to that a reason why it was unnecessary, namely, because the Imperial Government will do for us what they have done for Canada and the Cape, and will help up to make a treaty if we want to make a treaty with any foreign power. Therefore, I exclude any reference to that subject in this motion. Next, the members of the Conference will be aware that in past times it has been the custom of the Imperial Government to enter into treaty obligations which bind not only the whole country but also the dependencies of the country. That has been the custom for many years past. There was the treaty with Belgium in 1862, and the Zollverein in 1865, which are striking instances of that; and other treaties also appear in some of the reports laid before the House of Commons. Now there is no doubt, if that system were persisted in and continued, it would be highly injurious to the trading interest of the Empire, because it would mean that the whole of the internal trade of the Empire was bound—it would always be bound—by obligations to other countries under the most-favoured-nation clause. I believe that the exports from Great Britain to these dependencies amount to about 100,000,000*l.* sterling a year, and, if this system were maintained, nearly the whole of that vast trade must be subject, wherever treaties exist with regard to other nations, to that favoured-nation clause. That would be injurious. But there is no use of our looking back to what has been a disadvantage in the past when that disadvantage is not there now. The Imperial Government has completely given up that system, and now, when they enter into a customs treaty with a foreign Power, they would also include a condition with regard to self-governing Colonies, that they come into the treaty or not, just as they like. That is the invariable practice. On this important point, perhaps, I might read a letter from the Colonial Office. This question was raised in 1890, and on the 10th of December 1890, Mr. John Bramston, representing the Colonial Office, wrote in these words to the Secretary of the Treaties Committee which was then sitting in London:—

"SIR,—I am directed by Lord Knutsford to transmit to you, to be laid before the Committee, copy of a letter from the High Commissioner for the Dominion of Canada and the Agents General in this country, expressing the opinion that the treaties with Belgium and Germany of 1862 and 1865 respectively should, for the reasons therein stated, be terminated as soon as possible, and that no commercial treaty should in future be binding on the Colonies without their assent, but that every such treaty should contain a clause enabling the Colonies to participate in its provision or not as they may desire."

That is the demand then made.

"I am, however, to state that a provision to this effect has been inserted in the more recent commercial treaties for many years past, so far as regards the Dominion of Canada, the Colonies represented by the Agents General, and the Colonies of Natal and Western Australia, and that it is not likely that it would in future ever be omitted from such treaties."

That is a complete reply to what we want. There is no use raising a grievance where there is no grievance, and my motion is strictly confined to the simple powers which have been conceded to Canada and the Cape, and I shall be surprised if there is any difficulty in the proposition I have made and which I now beg to submit in the following motion—

"That provision should be made by Imperial legislation, enabling the dependencies of the Empire, to enter into agreements of commercial reciprocity including the power of making differential tariffs with Great Britain, or with one another, without foreign nations being entitled to share therein."

Hon. Mr. Suttor.—In seconding the resolution, said: It will not be necessary for me at great length to address the Conference. The Act of 1873, giving us power to arrange differential duties between one Colony and another, although it has been so long in existence, has never been acted upon, so far as I am aware, in the Australian Colonies. Still that is no reason why we should not ask to have the greater advantages extended to us, as proposed by Sir Henry Wrixon in his motion. If the Imperial authorities thought it desirable in 1873 to give to the Australian Colonies that power—and that Act is still in existence—surely it is desirable that that power should be extended to other great Colonies which form part of the British dominions. We may specially allude to Canada and the Cape of Good Hope, and it must be apparent to all that one of our first duties in coming here is to endeavour to bring about the freest possible commercial relations between the Australian Colonies and other Colonies. If we succeed in inducing the Imperial authorities to comply with our request, it will be a great step in that direction. I have been instructed by my Government to make inquiries into the conditions under which Canada and the Cape were permitted to enter into treaties with foreign powers. Unfortunately, before I left New South Wales, I could not find any papers on that subject, and, I am sorry to say, I am here not very well informed. We find there are no such conditions in the constitution of Canada or of the Cape of Good Hope, but apparently their treaties have been arranged in the way that this Conference desires. If one of these two Colonies desires a treaty with a foreign power, it makes an appeal to the Imperial authorities who really act for the Colony, the treaty being, in fact, a treaty between the Imperial Government and the country interested. I think Sir Henry has wisely excludedsuch a proposal as that from his motion, and if he does not intend to move in that direction later on, in a distinct motion, I think, perhaps he will permit me to ask the Conference to appeal to the Imperial authorities to assist us in the same direction they have assisted Canada and the Cape of Good Hope. Undoubtedly some of the leading men in the Australian Colonies have claimed that they should have the power of making treaties direct with a foreign nation. But I do not think that the great body of our public men in Australia would agree to such a proposition as that, because we all feel that so long as we belong to Great Britain we must make all our appeals to a foreign power through the proper authorities, and those authorities are the Home Government. I cannot for a moment think that any of the great Colonies would make any demand at any time to the Imperial authorities, which would be thought by them to be unreasonable or unjust. I have very much pleasure, sir, in seconding the proposition made by Sir Henry Wrixon. I trust the matter will be settled to-day.

Sir Henry de Villiers.—I think I ought to remove a few misconceptions which appear in the speeches of both the mover and the seconder of this resolution. It seems to me that they are under the impression that the Cape has the full power of negotiating treaties with other Colonies and other States. In that respect, there is no such power. The right is limited to this:—It must be a customs union with another State or Colony in South Africa, and the second restriction is, that it shall apply only to goods imported overland, and not to goods imported over the sea. There are two restrictions which have been imposed and which have never yet been removed.

Hon. Mr. Foster.—It is entirely internal.

Sir Henry de Villiers.—It is entirely internal. It is not for goods over the sea, only for goods imported overland. There is another slight misconception in regard to what has been done. A commissioner was sent from the Cape of Good Hope to the Orange Free State to negotiate the terms of the treaty for a customs union. At present, there is a customs union in force between the Cape of Good Hope and the Orange Free State.

Sir Henry Wrixon.—Is that under an Imperial Act?

Sir Henry de Villiers.—It is a Colonial Act.

Sir Charles Mills.—A Bill came as usual from the Cape for the assent of Her Majesty. It was a Bill authorising the government of the Cape of Good Hope to enter into a customs union with the Orange Free State, and to give the Orange Free State products preferential duties over the duties imposed upon any other imports into the Colony. When the Bill came to England, Her Majesty's Government refused the Queen's assent, and for a long time there was a correspondence between the Government of the Colony and Downing Street with regard to this Bill, and ultimately

on the insertion of the words "overland only," the Bill received the assent of Her Majesty. These conditions were put in and the Home Government assented to it.

Mr. Lee Smith.—Has any difficulty been raised since with regard to that question?

Sir Charles Mills.—No; no difficulties have been raised. If the Germans in the adjoining territory liked, they could, of course, claim the same privileges as the Orange Free State, under the Zollverein treaty. I do not think they are likely to do so.

Sir Henry Wrixon.—There is no authority or right of a dependency to contract for itself.

Sir Charles Mills.—It is quite an exceptional case.

Hon. Mr. Fitzgerald.—Will Lord Jersey inform the Conference the date of the treaties with the Zollverein and the Imperial Government?

Lord Jersey.—1862 and 1865. The date of the treaties with Belgium is 1862 and with the German Zollverein 1865.

Hon. Mr. Fitzgerald.—How long a notice must be given? Is one or two years required?

Lord Jersey.—Twelve months' notice from either country. It may be given at any time.

Sir Adolphe Caron.—The stipulations referred to are the same as in all the commercial treaties.

Hon. Mr. Foster.—Sir Henry, is there not another contingency which might happen, which you must justify, following up your resolution? That resolution would allow a Colony to enter into an agreement for commercial reciprocity with Great Britain or with any other Colony, without foreign nations being entitled to share therein. If the Dominion of Canada and Australia entered into a treaty with each other, at differential rates, what would be the position of Great Britain as regards her trade?

Sir Henry Wrixon.—It might be better to exclude that possible case which might arise.

Hon. Mr. Foster.—That would quite naturally arise as between our country and yours. There are certain articles we might send to you which Great Britain would not compete in, but there are others in which she would be a competitor.

Hon. Mr. Fraser.—I would fondly look forward to the day when the Colonies, including Australia, could have one customs tariff. I would hear with a great deal of pleasure of the consummation of such a customs union with the other Colonies. I think it would be one of the wisest steps that we, in Australia, could take, if we could receive the goods of Canada and the Cape free and *vice versâ*. Therefore, I think if we are enabled to make a customs tariff or federate the Colonies with one customs tariff extending over the whole of Australia, surely it would not be consistent to deprive us of the right. A tariff with Canada or the Cape, or with both parties, we are disposed to consider. I imagine that would be a very wise step indeed, which would be to the immense advantage of the Colonies concerned, and I can hardly see where the conflicting interests with Great Britain would come in. The difficulty, I think, in the Colonies would be, that the colonists would naturally say in making a treaty with Great Britain: "You admit the cheap labour of Great Britain as against the dearer labour of Australia "or Canada" and that might be a difficulty that parliaments and politicians could not get over. They cannot perform impossibilities. However, the question ought to be quite clear, and I should imagine that we will be unanimous in the support of Sir Henry's motion.

Mr. Lee Smith.—I think it would be unnecessary for any of us to say more than a word on this question. I apprehend there will be perfect unanimity as to the desirability and necessity of carrying the motion. It appears to me nothing could be done at this Conference of any beneficial character unless Australasia is put exactly on the same footing as Canada and the Cape. I believe, if we get the same power that these Colonies have, it will be satisfactory to all of us, and therefore, I do not think we need spend much more time in discussing this, unless there are some technical points to be entered upon. I shall be very glad to support the motion.

Hon. Mr. Forrest.—I regret to say, I do not quite concur with those speakers who think that this is a subject that should be settled in half an hour or settled to-day. To my mind, I consider this the most momentous question that we have to discuss. It is momentous, particularly to Australia, from the very questions put by Mr. Foster. What effect is it going to have on the trade with the mother country?

Mr. Lee Smith.—The motion would, of course, include the mother country.

Sir Henry Wrixon.—The motion includes the mother country.

Hon. Mr. Forrest.—I do not say that the motion does not include the mother country. Let us, however, examine the question. Let each of us calmly consider what the probable effect might be if Great Britain's commercial treaties with foreign countries were terminated. Would not the probable effect be to decrease her foreign export trade, and if so, would not the Colonies be injured? Anyway, Australia would be injured, for Australia is a great producing country, and nearly all its surplus products go to England. Therefore, if we cripple the trade of the mother country, we cripple the trade of Australia. Where would we be if we could not send our products to Great Britain? Further, it is impossible to alter the fiscal policy of even the smallest country without producing results which were never intended. This is proved by experience, yet here we are proposing to alter the fiscal policy of a great Empire; surely such a subject deserves the gravest thought and the most serious and careful deliberation; otherwise we may defeat ourselves. The consideration of this question should "give us pause" more particularly, so far as Australia is concerned. I have said before that Australia is a great producing country. For her age and her population, I do not think there is another country in the world which produces such a volume of raw material as she does. I will not refer to the other Australian Colonies, but I will mention two facts with respect to Queensland. We have only a population of about 400,000 in Queensland, yet in 1892 we exported over 9,200,000*l*. worth of our products. In that year, Great Britain's foreign trade (exclusive of the United States) amounted to 216,000,000*l*. Now, England does not produce wool to any great extent, but she is a large exporter of woollen goods which are manufactured chiefly from Australian wool. She is also a large exporter of other goods manufactured by her from Australian raw material. Therefore, by England's assistance, Australia finds a market for her products in foreign countries, and therefore, I say, we must be careful not to do anything that might interfere with, or limit, or cripple her trade with foreign nations. Furthermore, England is a free trade country. I do not propose to give any opinion as to whether I think free trade is right, or whether protection is right. It is not from that point of view that I refer to the subject. I may say with respect to such matters, that I feel exactly as Carlyle did about isms. "I don't care," he said, "about your pan-theisms or your pot-theisms, what I want to get at is the truth." Well, England is a great manufacturing country, and she does not, and cannot, produce what she exports. Therefore, she must purchase the greater portion of the raw material, and, if she is to maintain her position, she must obtain such material as cheaply as possible. She must also obtain the food for her people as cheaply as possible. I cannot, therefore, see how England could at present alter her free trade policy. With regard to all other countries, their policy cannot be relied on. To-day they might admit our goods. Then another ministry comes into power and to-morrow our goods are excluded. But the policy of England is continuous, and, for the reasons stated, I think it will remain so, at any rate for some considerable time. Let us not lose the substance for the shadow, and in this connexion it is just as much our interest to foster and encourage the trade of England as it is to extend the trade of Australia, for in so doing we are merely fostering and extending our own trade. In fact we are helping ourselves. Our great products are wool, meat, hides, tallow, wheat, sugar, minerals, wine, and fruit. We send all, or nearly all, our surplus to England, and what she does not consume she manufactures and distributes all over the world. I am informed that at this moment—and it bears on the motion before us, viz.: that of treaties with foreign nations—that Canada is arranging to admit French wines on favourable terms in consideration of getting Canadian productions admitted to France on similar conditions. How will such arrangements affect Australia?

Hon. Mr. Fraser.—That would come within the scope of your argument; I fail to see how this motion would come within the scope of your argument.

Hon. Mr. Forrest.—It certainly does. We want reciprocity with all the Colonies, and if in the meantime we are excluded by another treaty from carrying that out I am afraid that we will be very much prejudiced.

Hon. Mr. Foster.—There is no barrier in that respect.

Hon. Mr. Forrest.—Coming back to the motion as it has been amended, and seeing that Canada and the Cape have to a limited extent got the powers that are asked for now, and as the motion is a little different from what it was first when proposed——

Sir Henry Wrixon.—Slightly in the verbiage, but not the effect.

Hon. Mr. FORREST.—Well, as it appears now, I do not see much to object to; but I will wind up almost as I commenced, by stating that it requires to be considered with the very gravest of care; and more particularly with regard to the effect that anything of this sort is going to have on our great market. If the English market were closed to Australia, substantially we should be ruined. We would simply be able to grow for our own consumption, and beyond that, our productions would be utterly useless to us.

Mr. LEE SMITH.—Is it competent to any one who has spoken, to move an amendment for the purpose of his speaking again?

Sir ADOLPHE CARON.—I am not aware of any amendment being moved now. There has been no amendment moved.

Mr. LEE SMITH.—Is it competent to any one who has spoken to move an amendment?

Hon. Mr. PLAYFORD.—I imagine the man who represents a Colony will have the same right to speak as where a Colony is represented by three representatives, if they each speak. I claim the right to speak on three different occasions for South Australia. I think that is the position I ought to occupy.

Sir ADOLPHE CARON.—I think every latitude should be given to the gentlemen who wish to express their views on this question.

Mr. LEE SMITH.—A point has been raised by Mr. Forrest which I should like to contest, and I wish to know if I can speak again, and whether I shall put myself in order by moving an amendment for the purpose of speaking? I am the sole representative of New Zealand.

Sir ADOLPHE CARON.—I am not aware of any other procedure to be taken.

Mr. LEE SMITH.—Having spoken, I am precluded from moving an amendment.

Sir ADOLPHE CARON.—Yes.

Hon. Mr. PLAYFORD.—At the Imperial Conference people were allowed to speak twice on the same subject, and I think it should be conceded that we could have that privilege if we desired it. We want the fullest and freest discussion and want to arrive at the truth.

Sir ADOLPHE CARON.—I should imagine the procedure to be followed here would be that we should consider ourselves as if we were in Committee of the House. I think it will do away with the strict formality and be so much more convenient.

Hon. Mr. PLAYFORD.—I wish to point out to the Hon. William Forrest that he has evidently mistaken altogether the point of the resolution. From his standpoint it was that this resolution proposed we should have certain powers to enter into certain treaties with foreign countries, and then he argued from that, what effect that would have on the trade of Great Britain; and asked if the trade of Great Britain were in any way injured, would not that injure the trade of the Colonies eventually? Now, as I understand this motion there is no such intention contained in it. The latter clause of the proposal absolutely and expressly excludes any reference to foreign powers whatever and only provides for giving an extended power which we in Australia possess among the Australian Colonies, to other British dependencies, including the mother country. Now, that is exactly all that it does; so that the gentleman will see that the whole of the elaborate argument which he has built up in opposition to this clause really falls to the ground.

Hon. Mr. FORREST.—I was quite aware that it excluded foreign countries; and if I am allowed to speak again I will show you it would have the effect I mentioned. I was quite aware of that.

Hon. Mr. PLAYFORD.—Then I do not know what was the need of using the argument. It reminds me of the song from the opera:

> "The flowers that bloom in the spring, tra, la,
> Have nothing to do with the case."

If the gentleman is aware of it, I do not see where the argument comes in. Then take his other argument, whether it is a wise thing that Canada and the Cape should have powers which we do not possess. He is wrong there. Neither Canada nor the Cape have any power that we do not possess at the present time. There is no special power given to Canada to enter into treaties with foreign powers except such powers as can be given to us. It has to be done through the Imperial Government; it has to be done with their special consent. In the case of the Cape, it is done by a special Act of Parliament passed in the Cape Colony and assented to by Her Majesty the Queen. Now, you have only to pass an Act giving power to enter into a treaty with New

Caledonia, which is the nearest point of foreign territory, unless it happen to be a portion of New Guinea; and it would be subject to the Queen's assent. I have no doubt the Governor would reserve a question of that sort for the signification of Her Majesty's pleasure; and if the permission was given it would become an Act which the Imperial Government had assented to, and you would have precisely the same powers as were exercised by the Cape Colony. Take the case of Canada. She enters into a treaty with the United States of America, through the English Ambassador, with the consent of the government of the mother country. Queensland can do the same thing to-morrow if she likes; and it was a mistaken notion that some of our people in Australia had that Cape Colony, on the one hand, and Canada, on the other, had certain powers given to them which were not given to the Australian Colonies. Those powers can be exercised with the consent of the Imperial Government to-morrow by all the various Colonies of the British Empire. Now, the question of whether it is wise, or whether it is well, for Canada to enter into any special treaty with regard to the wine trade is a matter which I do not think we have here to discuss; but still, as the gentleman alluded to it, I must say that if she enters into a special treaty with a foreign country like France to admit French wines at a lower rate of duty than wines from any other country are admitted, in consideration that France shall admit things from Canada at a lower duty——

Hon. Mr. Foster.—I wish to set that matter at rest; we did not do such a thing. We simply agree in that draft treaty to allow certain wines to come in at a certain rate, and we can allow Australian wines to come in at the same rate. If we let Australian wines in at a lower rate than we charge France under the treaty, we would not have to admit the French wines at that lower rate.

Hon. Mr. Playford.—Then I do not see what good the treaty is to France. The people of France would thank you for nothing. I think Mr. Foster must be wrong. There must be some special advantage you are giving French wines over the wines of other countries.

Hon. Mr. Foster.—Not the least; we stated expressly that we would not bind ourselves not to allow wines from other countries to come in at the same rate; and they saved themselves by saying "If you give a better rate for that class of wines "coming from any other power you must give us the same."

Hon. Mr. Fraser.—By treaty?

Hon. Mr. Foster.—No, *ipso facto*, as per the terms of this treaty.

Sir Adolphe Caron.—They claim we must give them the same rate.

Hon. Mr. Playford.—Immediately the treaty is entered into, the French wines will come in cheaper than the Spanish wines?

Hon. Mr. Foster.—Yes, until we choose to allow Spanish wines to come in at the same rate.

Hon. Mr. Playford.—You are giving that differential rate to France and you are not giving that differential rate to other parts of the country, including our own Colonies. I do not know whether the mother country would be justified in permitting one of her dependencies to give a special rate to a foreign country which she is not giving to Her Majesty's Dominions. I think that is the fair position to take; and as the mover of the motion has put it he has left out all reference to the foreign countries, because he saw this objection would naturally flow [follow ?]. We have here an example, in the case of Canada, in which wine produced in Australia—and we are going to be one of the finest wine-producing countries under the sun, and we are going to produce the very finest quality of wine, which will be prevented from being introduced at as cheap a rate as French wines—here we have an example at once before our eyes, an object-lesson on the part of Canada, who is entering into a special treaty with France to allow French wines to come in at a certain rate; and she says she can allow other wines to come in at the same rate, but still at present the wines from France will go in at a cheaper rate. However, that is apart from the motion; and the mover has explained in very clear language why he eliminated that part of the subject from the discussion to-day. It is a difficult subject, and I do not want to be led into a long discussion; it is apart from the motion before us. We have in Australia the power to make special differential rates among ourselves. We have no power to make it outside of our bounds. We wish to extend that power to every part of Her Majesty's dominions. This resolution concisely sets that forth, and I have much pleasure in supporting it.

Hon. Mr. THYNNE.—I would like to point out that in the Colonies, especially in Queensland, we do not feel ourselves in the position to do what was suggested, to pass an Act authorising a preferential treaty with any country outside of Australia, and trust to it being accepted by the Imperial Parliament and obtain Her Majesty's consent, because we are, in our courts in Australia, held very tightly by the construction of our Constitution Act; and there is very little doubt that, if any question arose on the payment of duties, if any customs question arose and came to be decided by the courts of justice, the power of our Parliament to pass an Act which was outside the powers of its constitution would be disputed and probably denied by our Supreme Court. So that we come here asking that the difficulty which is in our way should be removed; and that is, I think, the sum and substance of Sir Henry Wrixon's motion, that is, that we may be enabled, without these impediments, to enter into arrangements with other portions of the British Empire; and I hope that Mr. Mackenzie Bowell's mission to Australia will result in the early introduction of reciprocal arrangements between our Colonies and Canada. We come here not merely asking for a theoretical concession, but we are asking with a view to practical results in each of the Colonies, and I have not the slightest doubt that the Imperial Government will, as soon as they see our joint request, take the steps at the very earliest moment to comply with the request which we have made. Now, it might be said that the Belgian treaty and the Berlin treaty make it difficult for the Imperial Government to comply with our request; but we have already an Act affecting Australia, which has become law, passed in England since those two treaties were entered into—the Act of 1873 is subsequent in date to both the treaties which are at the present time in the way of these reciprocal arrangements—and as the Imperial Government have seen their way to passing an Act in 1873, removing this restriction on the power of the Australian Colonies to make reciprocal arrangements in Australia, I have no doubt they would equally see their way to removing the restrictions against the making of such arrangements with British dependencies generally. Lord Jersey suggested the other day, as there was some question of the construction of the Constitution Act in that respect, as to whether the strict construction which we have put in Australia on the limits to our constitutional power are really regarded seriously in Great Britain. I do not know whether I understood him correctly.

Lord JERSEY.—You mean the Act of 1873?

Hon. Mr. THYNNE.—The Constitution Acts of the several Colonies.

Lord JERSEY.—The Act of 1873, as I understand, authorised certain Colonies in Australia to enter into tariff arrangements between each other, and went no further. It did not alter the previous Constitutional Act except in this direction. The Constitutional Act would not allow you to enter into a treaty with any Colony or country, except those particular Colonies which were mentioned in the Act of 1873.

Hon. Mr. THYNNE.—That is a concise statement of the position in Australia. There is no question that that is the strict interpretation of the Act. Of course, one aspect of this motion is a very wide one; and one may assume that we are at once content to propose reciprocal arrangements with Great Britain and our different Colonies. Every one of these reciprocal arrangements, I take it, will be matters of future policy for the consideration of the several governments. For myself, I have very little expectation indeed, if any, that we shall ever have—I won't say ever—that we shall have for a considerable number of years the opportunity of entering into reciprocal arrangements with Great Britain, because to enter into these reciprocal arrangements to any large extent would involve a complete change of the policy of Great Britain. You would have to convince Great Britain that their policy up to the present—having free intercourse with the rest of the world—is wrong in some respect; and, on the other hand, we would each of us have some difficulty in throwing open our markets absolutely free to England; so that there would be a complete change of policy on both sides before we could see a general system of free trade between Great Britain and the Colonies. But there is not any practical difficulty in entering into reciprocal treaties with dependencies who are more or less unlike in their productions. As an illustration, you have in Canada a very large source of fish supplies as an article of food. We have practically nothing to correspond with it. We have in Australia the means of supplying you with other goods in exchange, and if there was a slight preference given in Australia to Canadian fish products, and a slight preference in Canada to some of our products in Australia, and an interchange in those limited articles of commerce, the result would be a benefit to both sides, without doing any serious injury to either country. I may say, in our Colony we are anxious that this

change should be made, and that we should have the power of making the reciprocal arrangements, and, after the unanimous way in which the motion has been received, I think there is very little to be said. I quite sympathise with Mr. Forrest's feeling that it would be very difficult indeed to touch tariff business without running the risk of producing effects which were never contemplated, and I think he deserves credit for having pointed out that in looking at these matters we must go a good deal below the surface. We do not know what effect a general acceptance or general action upon this matter of reciprocal arrangements may have in the course of trade between Great Britain and other countries; and I think each and all of us sympathise with the great desire that England, as the market of the world, should not lose in any way by this. We seek to save time and space in making our arrangements between ourselves, instead of sending all our goods to England and having them distributed among us from there. I do not believe that the extent to which we propose to have reciprocal arrangements will affect the trade of England, but I think, on the other hand, it would increase it.

Hon. Mr. Forrest.—I would like to add a word or two, to prevent misconception, because I can see that what I have said has been misconceived. With regard to the motion generally, I would support it; but there was something I did not say and that I did not want to say—I rather wished it to be inferred, for it sometimes happens that the very thing we wish to avoid is brought about by suggesting its possibility. I pointed out that England's export trade in 1892 was 216,000,000*l.*; in that, I did not include the export trade to the United States, because, in giving the figures, England classifies the United States separately. The export trade to the Colonies comes to 93,000,000*l.* and to the United States 41,000,000*l.*; but you will see the greatest bulk of England's trade is with foreign countries with whom she has treaties; and England's trade means our trade, and if we are not careful it may cause these nations to terminate these treaties at 12 months' [notice]; and what I would like to have considered is this: Is it advisable to put a formal motion of this kind before the world, or is it advisable to try and get what we want quietly as did Canada and the Cape, and thus endeavour to avoid the antagonism of foreign states. That is what I want to convey; and I think really this is worthy of consideration: and I am very glad my friend Mr. Thynne was able to partially explain it, but I wished to give the further explanation. The suspension of the treaties of the foreign nations with England might limit her trade and therefore limit our trade.

Mr. Lee Smith.—I am glad to see that the gentleman has brushed away the cobwebs which the first speaker threw round my argument. He said he thought there was very great danger in carrying out this motion. I do not agree with what has been said as to the trade policy of England. I think British trade has been built up by the principles of free trade; and I look upon it that without free trade the British nation could not exist and carry on the enormous amount of business for the benefit of the country; but I apprehend this question has nothing to do with free trade. We are here discussing Sir Henry Wrixon's motion, which is clear, distinct and definite and does not involve any such risk as Mr. Forrest has supposed is involved in it. Now, what are we proposing to do? We are proposing to include Canada in the arrangements we already are able to make between ourselves in Australia and New Zealand, but which, I am sorry to say, we have not hitherto put in force; but that does not prevent us from making some reciprocal arrangements with Canada, because there will be several things in which we will very possibly reciprocate with Canada, which we have not in Australia. Then with regard to Great Britain, I do not see how we can commit Great Britain to it. We only suggest it; and if Great Britain, who knows her own interests far better than we do, sees there is this danger, she will not carry out our suggestion, and nothing will be done; and therefore there is no need at all to have any such fear as Mr. Forrest appears to have that we shall offend a foreign nation if we in this room recommend a thing which Great Britain will not carry out unless she sees it is to her advantage and involves no risk. I think it is clear we should carry the motion at once. We can do no good by deferring it. Why should we not at once carry out proposals for the immediate carrying into effect of that which we already have in Australasia, and which we have come all the way on purpose to obtain with Canada?

Hon. Mr. Foster.—This is not a question which primarily affects Canada so much as it does the Australian Colonies. In common with most of the speakers around the table, I do not see any objection to the passage of a resolution of this kind. I do not see any complications which can possibly arise out of the passage of this, confined, as

it is, to the one family—that is to the Colonies and to the mother country. A great deal of the difficulty that is met in larger trade extensions, I suppose on account of the treaties of 1862 65, does not stand in the way of arrangements which are made or which can be made under a resolution of this kind; consequently, that difficulty does not meet us in the same way as it would if the larger extension was looked at. Some points have been raised which were not entirely germane to the resolution that we have had under consideration, but I am rather glad that they were raised. We may confine ourselves strictly to the parliamentary groove in discussing points, or we may make the discussion somewhat free and easy with great benefit to ourselves; and I was very glad that the other two points were brought up; and I should just like to see what our position here in the family is in reference to the matter. First with reference to the power we have of negotiating treaties for ourselves in Canada. It is rightly stated that we have no parliamentary authority; it is simply a wise extension of that accommodating and reasonable policy that the British Government have always carried out. When we came to believe that a treaty would be an advantage between us and the United States, in 1854, and when the British Government became convinced that it would be of advantage to us as compensation for certain privileges of which we had been deprived previously, and the idea came up of having a treaty between a part of the Empire, and the United States—Canada to wit: Great Britain undertook the negotiation of that, but, as Canada was the dependency almost entirely interested, Great Britain sensibly enough gave way to our request that our representative should be present to assist the British Ambassador in the negotiation of that treaty. That was the beginning of it, and this course has been judiciously followed. If we wish to negotiate a treaty with Spain that in some respects would be beneficial to us, we simply make our request to have some person we name associated with their ambassador, and, whilst their ambassador is materially the prime mover, the negotiations are chiefly carried on by our plenipotentiary. It is an Imperial treaty.

Sir Henry Wrixon.—A treaty between Great Britain and Spain.

Hon. Mr. Foster.—Yes, applicable to Canada. And in all these cases, the treaties are referable again to our Parliament, so it is just an extension of the common sense, business principle which is given to us, and which, I have not the least doubt, Great Britain will give to any Australian Colony that requests it. Again, I am of the opinion that, so long as the colonial relation exists, the power to negotiate our own treaties, while we are a part of the Empire, is undesirable and impossible. I think it would be the death-blow to unity. It was stated that there are not many in Australia or the Australasian Colonies who would be in favour of such a view. Unfortunately, we have quite a number in this country who urge that view, and we have had the advantage of taking it up in Parliament, and having it discussed on several occasions, and on all these occasions the overwhelming sense of the country and Parliament has been that it would destroy the idea of Imperial unity and the relation which has existed between the Colonies and the mother country, and that, if we chose to throw aside the protection and advantage that we get from the mother country, we can exercise the power to negotiate our own treaties, but if we wish to keep the first, then we had better take the sensible plan of having our treaties negotiated as they are now. What would take place if we had the power? The very moment that we had the right conferred upon us to negotiate a treaty, we would exercise that right with, say, the United States of America. But the very moment that we sat down to negotiate a treaty with the United States of America, what would take place? It would be said—"You give us "certain duties on this, and we will give you certain duties on that, but what we give "to you will be exclusively for you and what you give to us must be exclusively for "us." What does that mean? Immediately we would have to discriminate against Great Britain herself, and the very moment we did that, and the trade of Great Britain were greatly affected by it, it would raise a question with the British Government, and what would be the result? Immediate collision. If once the Parliament of a great dependency as Canada or Australia had decided that it would do so and so for the best interests of the country it could not recede from that position, and consequently there would be collision. I am entirely at one, and so are the people of Canada, as well as the Parliament of Canada, with the sentiment that, as we are all parts of one country and we are under that one Imperial Government, the Imperial power must negotiate with regard to these treaties, but at the same time we have all the freedom that is necessary and all the voice that we could possibly desire. Now with reference to this, I merely moot one point, and although it is not germane to this resolution, and although the resolution does not cover it, I will moot the point once more, in order that it may be discussed

some time during the session. I suppose we are all at one that, if we could, we would like to see an arrangement made by which all the Colonies and the mother country could trade with each other on better terms than with foreign countries. That is where we are. There is no doubt about that; that there should be Imperial trade on the basis of Imperial favour. There is no possibility for that so long as the mother country has no duties upon products. The time may come when we can negotiate a commercial reciprocity treaty with Great Britain. That time must certainly be deferred, however, until Great Britain puts duties upon goods which come into her country, on which she would give us some form of concession. No one knows what may happen, but, taking that for possible, we would all like to have reciprocity. Suppose then we were to make a proposition to Great Britain to put 5 per cent. upon food stuffs that the Colonies most largely supply as against all foreign countries, and that we would give her a per-centage on what she would manufacture and send to us. Suppose we made that proposition. It could not be carried out to-day, however much we wanted it; but is it not possible for us, and is it not possible for Great Britain to grant to the Colonies, which are not free trade and which have taken the principle of protection for revenue purposes or otherwise the right to reciprocal treaties with each other? Is it not possible for all these Colonies to give a preferential rate, one in favour of the other, and trade under an Imperial trade union, or an intercolonial trade union? While that may be possible, there are a good many elements that enter into it, and one of the elements is, our manufacturing goods which Great Britain herself produces. All the Colonies are not equally situated. Some of the Colonies are simply producers of the raw material and they are interested, of course, in getting the raw material into the best and easiest market possible. Other Colonies are more advanced—take it as a line of progression—and they are not only producers of raw products but they are makers of the raw material into manufactured products. Now, for instance, Canada makes largely of agricultural implements. She has a field for these agricultural implements in your country (Australia), and it is one of the things we are looking forward to, when we come down to the practical part of the business, to see whether they cannot be made one of the weights in the scale of interchange. The point I wish to bring forward for thought is, then, this :—If the Colonies make preferential arrangements with each other, and Great Britain cannot accede to the wider Imperial reciprocity, what shall be the position of her competing goods? Shall she have advantages for which she has given no countervailing compensation? Then there is another point which Mr. Playford spoke of with reference to wine. My friend was a little unfair. He dislikes the idea of giving France what you will not give to Australia. That looks unfair on the face of it. But, my good friend, France pays us for giving her that. Will not you pay us for giving you a similar concession? What are you here for? To make trade relations, I take it. There are some things you want to get into our markets. We will give you the chance of something you want to get into our market if you give us a chance in your market. You surely would not want us to give to you what France had bought from us, and if France proposes to give us canned goods and other things, the list of which is in the treaty, at the minimum rate, and we pay her—for it is all a financial transaction after all—and we pay her by taking 30 per cent. off certain kinds of wine, why would you ask us to take 30 per cent. off your wines and not give us something on our agricultural implements? We do not tie ourselves to France.

Hon. Mr. Fraser.—We thought you had.

Hon. Mr. Foster.—We did not. We carefully avoided that. We are to-day in the position that we can give Australia 30 per cent. or more, as we please, off the same goods, if you allow us something in return therefor.

Hon. Mr. Playford.—Your principle is an absolutely vicious one. If Great Britain did anything of that sort in regard to France and did not do the same for the Colonies, she would never hear the last of it.

Sir Henry de Villiers.—There is a telegram from Sir Charles Tupper in which he says, that it is clearly understood that preferences given to France by this treaty would not interfere with preferential arrangements with other Colonies or any of the Colonies.

Hon. Mr. Foster.—I do not know that; Canada is not debarred by that treaty from making any arrangements with the other Colonies which she may think wise, even to giving a better rate on wines than was accorded to France in the treaty.

Sir Henry de Villiers.—I have a very strong impression there is a telegram in the proceedings.

Hon. Mr. Foster.—I just want to argue the point a moment with Mr. Playford. I think I heard of a gentleman saying that all this was a matter of business, that this intercolonial trade was a matter of dollars and cents. Now my hon. friend goes back to sentiment, and he says: That if France pays you dollars and cents for a certain concession, there is another dependency of Great Britain in the Australian Colonies who has paid Canada nothing yet, but, for the sake of sentiment, it ought to get the advantage the same as France did by paying for it.

Hon. Mr. Playford.—Supposing Great Britain was to enter into a treaty with France or any other foreign country, in which she admitted French wines cheaper than she would admit wine from the Colonies, she would sacrifice us to France.

Hon. Mr. Foster.—That could be stretched to a certain extent, and it might be stretched too far. Great Britain might say in answer: You give Canada an equivalent as France did and you will get exactly the same benefit. I am speaking on business principles only. There is another principle. It is a question—and I am not averse to saying it right here—it is a question whether we would, when that treaty comes to be ratified, insist on keeping a single British dependency out of it. However, Mr. Playford, we think they ought to consider it as a matter of fair exchange and give us just as much as if we had never made a treaty with France. I am disposed to think they will do that. We are not shut out by that treaty from giving the same advantages to any Colony. I am in favour of this, and I emphasize the position of Canada. Now, as to the points taken by Mr. Forrest. He seemed to fear that in some way an arrangement such as proposed, looking to a wide reciprocity, might affect the price of British imports, chiefly of raw material, and so touch on Britain's world-wide supply of manufactured goods. But it is clear that an arrangement might be made which would but slightly, if at all, affect these great staple raw materials. But business is business; and, outside of all sentiment, we in the Colonies, as they in Great Britain, must press for what is beneficial to us in a business mind* of view. Great Britain has the common sense to give way as far as she can for the good of her Colonies, providing it does not hurt her too much. She has already told us time and again she is prepared to do that, and she has done it to some extent in our treaties with other nations. The subject matter of the resolution is chiefly for the Australian Colonies; but it is one that also affects us and all the other Colonies, and I am heartily in favour of the resolution, and without its passage our meeting would have missed one of its chief objects, the encouragement of intercolonial trade.

Hon. Mr. Fitzgerald.—It appears to me that Canada is interested in this motion. I cannot see how any commercial reciprocity will result between Canada and the Australian Colonies unless this motion be adopted. Therefore, if Canada says she can gain anything by drawing together the bonds of commercial union more closely than they at present exist, it is essential. Without this resolution, we are at present incapable of coming to any conclusion. Our limits are now not quite as strict as the Cape, but they are on all fours with Canada as regards differential tariffs between our own Colonies. A great deal of light has been thrown on the subject by what we have heard from Sir Henry De Villiers. I understood that the Cape stood on the same lines as Canada, and it certainly came as a surprise to me that the Cape in her intercolonial arrangements is limited to one state, the Free State of Orange.

Sir Charles Mills.—We are not limited at all. We can make a union with any part of Africa to-morrow, but we have to pass a new Act and get the Imperial consent.

Hon. Mr. Fitzgerald.—My hon. friend offers this notice in a limited sense so as to prevent the difficulty to which Mr. Foster has ably referred. We had a long and animated debate at the Confederation Convention, in Sydney, in 1891, as to this point, and the Colonies were distinctly of the same opinion as Mr. Foster—that the unity of the Empire would receive a blow if any power were given in the Confederation Bill allowing them to make special treaties. Is not that in accordance with Lord Jersey's memory?

Hon. Mr. Forrest.—I think your memory is quite right.

Hon. Mr. Fitzgerald.—I know we are quite in unison on that point. If we asked this power of extension of our commercial relations, as set down in the resolution, I think it is sufficient to pass a unanimous vote in favour of this resolution. The present limitation of this motion might be regarded as too severe, if we had not been reminded as we have been by what we heard to-day and what we know, in fact, that there is the utmost desire on the part of the mother country and her responsible advisers to see that in any proposal emanating from the Colonies—if it does not do injustice to the

* *Sic.* Qy. "point."

mother country—the Colonies obtained the concession asked for if the Colonies consider it would be to their commercial and to the Imperial advantage. When England is in that position—and she has never been otherwise since new ideas prevailed at the Colonial Office—when she really regards, as far as commerce was concerned, her colonial policy as an Imperial policy, we can rely upon the present incentives as proved by the case of Canada, that if we need to make any treaty similar to that, she will give us equal justice, because the Imperial authorities will adopt in our case exactly the same position as that adopted for Canada, and appoint the same treaty representatives from our country, with plenipotentiary powers to act in unison with the ambassadors of the old country in order to ask for and to obtain that treaty. There is no necessity for our demanding special powers. We can place reliance in the interest that England takes in her Colonies and not ask any more than they are willing now, almost voluntarily, to give us. I apprehend that there can be no differences of opinion, and that we can unanimously agree in this motion, wisely limited as it is in its range and volume, and that as it now stands there can be no real practical objection to it.

Sir Adolphe Caron.—I merely wish to say one word before the question is put. I view the question from this standpoint: I consider that without this resolution being passed, it will be difficult for me to conceive the usefulness of this Conference. It may be, as my colleague and friend has stated, that Australia may possibly be more interested than Canada. However, that is a question that I do not wish to discuss. I consider that the interests of Canada are just as large as it is possible for them to be in connection with a resolution of this kind. I fully agree, also, that a demand which is made by Australia when submitted to the Imperial Government will be received as well and as favourably as the demand of Canada would be received when Canada wished, as a component part of the Empire, to strengthen the Empire, by making Canada as prosperous and successful in commercial enterprise as statesmanship could make a country—I consider that by doing so you are helping the Empire just as Australia would help the Empire, by entering into commercial enterprises which will strengthen Australia and make the Colonies there more powerful than they are at present. I believe that this resolution is properly at the beginning of our very important work. I believe that, without it, the Conference, which has brought within the capital of Canada representatives of the great Colonies, beyond the usual meeting and shaking of hands, could not be a success unless we all agreed to the passing of this resolution. I do not wish to enter into the question more fully, because it has been discussed from all its different standpoints, and I think there can be no doubt that it is indispensably necessary that we should declare the resolution carried, and I think it will be received by the Imperial Government as the very best work we have done.

Hon. Mr. Fitzgerald.—May I ask Mr. Foster, could not Belgium and Germany, on account of the existing treaties with the United Kingdom, demand similar advantages arising from any differential tariff arrangements that may be made between any Colony and any foreign country.

Hon. Mr. Foster.—The most-favoured-nation clause has been so interpreted, but the point is in dispute.

Hon. Mr. Fitzgerald.—I would ask, also, whether there should not be some negotiations opened between this Conference and the mother country as to giving notice to Belgium and Germany for the cessation of this portion of the treaty, because Germany and Belgium could come in upon the terms that any Colony may make between the mother country and itself. Supposing Belgium, a wine-producing country, was to demand that her wines should come in here. She might produce her wines cheaper than France, and might reduce the minimum advantages France might have. France would say, from the existence of this treaty between England and Belgium, to which she was not a party, "We allow your manufactures to come into France at a lower "rate, but the advantage we expect to derive in your country is entirely nullified by "the treaty between England and Belgium, because you allow Belgium the privileges "of the most-favoured-nation clause." Now, I concede that during the continuance of this treaty, in that aspect of it, it may really be extremely difficult to make similar treaties to the one Canada is making with France.

Hon. Mr. Foster.—I quite see what my friend means. I think he is quite right in his contention. The question he asked me was whether Belgium or Germany, under the present treaty, could not ask the same treatment as the treaty gives France from Canada. There is no doubt that they can; but at first, the idea I thought you had

was as to whether, if Australia and Canada made a reciprocal arrangement between each other, the most-favoured-treaty nations might not ask the same advantages. I do not think they could, but it is clear that they can so far as the case with France is concerned. The question as to the termination of those treaties I have no doubt will be brought up before the Conference closes; we have passed a resolution of both Houses of Parliament asking their abolition so far as they bind us; but, of course, it is one matter to ask and another matter to get.

Hon. Mr. THYNNE.—The point raised by Mr. Fitzgerald is not a substantial one, because the people of France have made a treaty, with full information of the treaties of Belgium and of Berlin, and have no cause to complain of any of the consequences of those treaties; and also because the goods about which the different Colonies are likely to enter into reciprocal arrangements are goods which neither Germany nor Belgium are likely to produce, and no question is ever likely to arise about them.

Sir CHARLES MILLS.—May I ask whether, in the event of our admitting your agricultural implements and your lumber duty free, there is anything in your treaty with France that would prevent your allowing our wine to come in duty free here?

Hon. Mr. FOSTER.—Yes. If we let other light wines in free, the light wines would have to come in free from France.

Hon. THOMAS PLAYFORD.—That is just the trouble.

Sir HENRY DE VILLIERS.—Here is a telegram from "Bowell to Tupper," 10th February 1893—"Cheese was included in proposition before us upon which telegram of 12th "January was based; treaty being ratified by England for Canada alone, would not "France consider her a third Power in case of preferential treatment?" The answer from "Tupper to Bowell" reads—"Treaty being made by England, the term 'third "Power' cannot include Great Britain or any British Colony or possession. This "treaty therefore in no way interferes with preferential arrangements between Canada "and Great Britain or any British Colony."

Sir CHARLES MILLS.—That is an answer to my question.

Hon. Mr. FOSTER.—You had reference to a Colony?

Sir CHARLES MILLS.—Yes.

Hon. Mr. FOSTER.—Then I mistook your question. Any arrangements between the parts of the British Empire and between the Colonies of the British Empire are free from the operation of the French treaty. I took your question to relate to a foreign country.

Lord JERSEY.—I think the interpretation at home upon the matter is this, that domestic arrangements between any portion of the British Empire are not affected by the Belgium or Zollverein treaty; that it might be possible (if the statutory powers were given) for Queensland or New South Wales to make arrangements with Canada without thinking of those two treaties, but if they went further and claimed power to make arrangements with Spain or France, it would come in. We draw a distinction between domestic relations and foreign nations.

Hon. Mr. FORREST.—Do foreign countries accept that interpretation?

Lord JERSEY.—I cannot tell you if they accept it.

Hon. Mr. FOSTER.—Sir Michael Hicks Beach and Mr. Arthur Balfour have both stated this view of the matter in Parliament, viz.: that the treaties of 1862 and 1865 do not include preferential arrangements as between the Colonies.

Hon. Mr. SUTTOR.—In connexion with the treaties which the Imperial authority takes in hand for Canada, does Sir Charles Tupper act directly for you, or does he sign the treaty representing the Imperial Government rather than Canada?

Hon. Mr. FOSTER.—He signs the treaty representing the Imperial Government.

Hon. Mr. SUTTOR.—He is a plenipotentiary for the occasion.

Hon. Mr. FOSTER.—Yes.

Sir HENRY DE VILLIERS.—I refer to the 15th article of the treaty with Belgium; it is very short and concise, and we must consider the terms of that before we pass the resolution:—

Articles the produce or manufacture of Belgium shall not be subject in the British Colonies to other or higher duties than those which are or may be imposed upon similar articles of British origin.

If "British origin" here means from Great Britain alone, then it is clear we have full power to negotiate amongst the Colonies, but we could not enter into a treaty with Great Britain; Great Britain would be excluded, but the Colonies would not be; but if the words "British origin" refers to everything that comes from the British Colonies, then I have no doubt this 15th clause stands in the way. Everything depends on the words "British origin"; if it is only Great Britain, Great Britain cannot enter into those treaties, and if it is the British Colonies, we cannot enter into it.

Hon. Mr. PLAYFORD.—British origin means anything grown on British soil.

Sir HENRY DE VILLIERS.—The effect of that would be to prevent this preferential treaty with Great Britain.

Hon. Mr. FITZGERALD.—It may perhaps be useful to the Conference to know that I give notice that I intend to submit on Monday a motion asking that this Conference shall request the British Empire to abrogate these treaties at the earliest time consistent with fairness—and at that time the discussion started now by Sir Henry de Villiers will be more appropriate than at present.

Hon. Mr. FOSTER.—It is a very important point. I have simply taken my reading of it from the clauses of the treaty and from statements made in the British Parliament and the context of the treaty, and I believe it to be correct.

Sir HENRY WRIXON.—I think we are pretty well agreed on the principle of this motion. Would it be wise for us to determine absolutely any of those difficult questions which may be raised? We only affirm the desirability of this power being given, and the Imperial Government will take care to work it out in the proper way. If they have to delay for a year to give notice of the termination of the treaty, they may have to do it, or to comply with any other condition of the treaty. We can only indicate the desire that this power shall be given to us, but we by no means dictate when it shall be done. I would not like to commit ourselves either way. I leave that entirely to be worked out. We have had a most useful discussion and I think a most instructive one, and I hope that will be my excuse for having introduced two topics which were not strictly in my motion, because strictly I should not have gone into those other two topics or asked the Conference to deal with them; but I hope the Conference will excuse me, not only on account of the succeeding discussion we have had, but it is also necessary sometimes to explain why you do not deal with things as well as those you deal with, and, as I expressly kept those points from my motion, I called attention to them to show why I did not deal with them. That was my reason for mentioning them, and I think it led to a most instructive discussion; but as far as the motion itself goes, of course it has nothing to do with them.

Sir ADOLPHE CARON.—The resolution reads—

"Moved by Sir Henry Wrixon, seconded by Mr. Suttor, That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including power of making differential tariff with Great Britain or with one another."

Hon. THOMAS PLAYFORD.—You leave out the words "Without foreign nations being entitled to share therein"?

Sir HENRY WRIXON.—Yes.

Hon. Mr. FOSTER.—I do not think the words are necessary.

Sir HENRY WRIXON.—It is not necessary. If you give power to enter into a commercial treaty, it covers the whole thing.

The motion being put to the Conference was carried.

ABROGATION OF TREATIES.

Hon. Mr. FITZGERALD.—I beg to give notice that at next day of meeting I will move that this Conference is of opinion that the existing treaties between Great Britain and the German Zollverein and with the Kingdom of Belgium should be denounced and terminated and that Her Majesty's Government be requested to take the necessary steps with this object.

Sir HENRY DE VILLIERS.—As that is so intimately connected with the one just passed and as it would be possible to amend the motion, might there not be a unanimous vote on the motion? We are all agreed on the substance on the motion, but as it stands I should like to propose some amendments. I was not aware it was being put until after it was passed, and I should like to move some verbal amendments, and I thought that resolution of which notice has been given might be made to fit in with the one already

passed. Unless it is unanimous it cannot be done. We are all agreed on the subject; it is only the words I want amended.

Hon. Mr. Foster.—I should like to suggest that that might be more implicit, and read: "So far as relates to the most-favoured-nation clauses"—or something like that.

Hon. Mr. Fitzgerald.—That is exactly what is in my mind and I should be glad to adopt any suggestion which would give effect to that. I shall amend it in that direction.

Sir Adolphe Caron.—Do I understand that you desire that this notice of motion should be included in the resolution which was passed to-day and considered as forming part of that resolution?

Sir Henry de Villiers.—What I should like, if we could possibly have cancelled the resolution, is to leave the matter open for slight verbal amendments, and in that case we might incorporate that one with the one already passed, but as I said before, it must be unanimous. If we all agree we can cancel it, but if not, we cannot.

Sir Adolphe Caron.—I do not see any objection to keeping the two subjects separate. They are very much connected, but as the resolution under discussion has now passed, I think I would not interfere with it, and when the time comes to take up this matter it will not complicate matters to discuss it separately.

Hon. Mr. Suttor.—I understand the hon. gentleman wants to make some verbal amendment to the resolution just carried. Surely we can extend that privilege to him. First, he suggested that Mr. Fitzgerald's resolution might be changed, and then he said he would like to make some verbal amendment to the resolution just passed.

Sir Adolphe Caron.—It is irregular to change a resolution just passed, but it is left to the Conference.

Hon. Mr. Foster.—If Sir Henry can improve it we would have no objection, I suppose?

Sir Henry Wrixon.—I should be quite glad to accept any proper amendment, but it should be put in first.

Hon. Mr. Suttor.—If we are going to make any verbal amendments it should be done now.

Sir Adolphe Caron.—Any suggestion or amendment which Sir Henry de Villiers would wish to make must be the subject matter of further consideration because the course which has been taken is final.

Sir Henry Wrixon.—I think we had better leave it to the Colonial Office to do as they think proper.

Hon. Mr. Fitzgerald.—The notice has been altered so as to include these words "As their conditions will permit so far as regards the most favoured-nation clauses."

Sir Adolphe Caron.—The notice reads:—

"That on the next day of meeting I will move that this Conference is of the opinion that the existing treaties between Great Britain and the German Zollverein and with the Kingdom of Belgium should be denounced and terminated as early as their conditions will permit so far as regards the most favoured-nations clauses, that Her Majesty's Government be requested to take the necessary steps on the subject."

Sir Henry de Villiers.—The effect of my amendment will be to alter the resolution we arrived at. The voting came upon me by surprise and if I had known that we were coming to a vote without any remarks from the Imperial delegate, I would have moved the resolution. My resolution which I intend to move will include both. It will be wide and it will enable the Imperial Parliament to adopt such portion of it as it may think practical. I give notice of a resolution:—

"That in the opinion of this conference any obstacles which may at present exist to the power of the self-governing dependencies of the Empire to enter into agreements of commercial reciprocity with each other or with Great Britain should be removed by Imperial legislation or otherwise."

Now "otherwise" will include every thing—will include any treaties which stand in its way; it will be one comprehensive sweeping resolution which will embrace everything, and which will meet many difficulties which I have heard raised against this resolution. I have confined it to self-governing dependencies.

The Conference adjourned at 1.40 to meet on Monday, July 2, at 9.30 a.m.

DOUGLAS STEWART,
J. LAMBERT PAYNE,
Joint Secretaries of the Conference.

Office of the Minister of Trade and Commerce, Ottawa,
Monday, July 2, 1894.

The Conference resumed at 9.30 a.m., Sir Adolphe Caron, Vice-President, in the Chair.

Delegates Present.

Imperial Government—The Right Hon. the Earl of Jersey, P.C., G.C.M.G.
Canada—Hon. Sir Adolphe Caron, P.C., K.C.M.G.
Hon. George E. Foster, P.C., LL.D.
Sandford Fleming, Esq., C.M.G.
Tasmania—Hon. Nicholas Fitzgerald.
New South Wales—Hon. F. B. Suttor.
Cape of Good Hope—Sir Henry de Villiers, K.C.M.G.
Sir Charles Mills, K.C.M.G., C.B.
South Australia—Hon. Thomas Playford.
New Zealand—Mr. A. Lee Smith.
Victoria—Sir Henry Wrixon, K.C.M.G.
Hon. Nicholas Fitzgerald, M.L.C.
Hon. Simon Fraser, M.L.C.
Queensland—Hon. A. J. Thynne, M.L.C.
Hon. William Forrest, M.L.C.

TELEGRAM FROM LORD ROSEBERY.

Sir Adolphe Caron.—I have the pleasure of reading to you a telegram addressed to Hon. Mackenzie Bowell, and signed by Lord Rosebery :—

Epsom, June 3, 1894.

I am anxious to express to you as the President the sympathy and interest with which I am watching the proceedings of the Conference, which should be of such happy augury for the future of the Empire.

ROSEBERY.

THE PACIFIC CABLE.

Hon. Mr. Suttor.—Before moving the resolution of which I have given notice, I should like to say it has been represented to me by one of my friends at the Conference, that perhaps it may be as well if I permitted Mr. Sandford Fleming to read some statement to the Conference before I move the resolution. But I feel that if I move this resolution I must be responsible for it; and take the responsibility of it by defending my action in speech. If Mr. Sandford Fleming wishes to make some statement before any other member of the Conference speaks, I am quite willing to withdraw my resolution and allow any other member to take it up, but if it is to stand in my name I must support it by speaking to it. I am only too happy to meet Mr. Fleming's views in any way I can, but I do not feel that I can move the resolution *pro formâ* and allow some other gentleman to speak before I do.

Sir Adolphe Caron.—If you move your resolution you may speak to it.

Hon. Mr. Suttor.—Yes, but I have been told that I should move it *pro formâ*, and let Mr. Fleming explain.

Sir Adolphe Caron.—Oh, no.

Hon. Mr. Suttor.—I am quite willing to let him speak first, if he moves the motion.

Hon. Mr. Fraser.—That was never intended. Mr. Bowell requested Mr. Fleming to prepare a statement on this subject, and clear away all the cobwebs and put it on such a footing that it would make it easy for the various members to understand the question, and I merely suggested to my friend Mr. Suttor whether it would not be perhaps as well for Mr. Fleming to read that document, and not to propose a motion. Mr. Fleming has made no request at all. He is quite willing that Mr. Suttor should proceed with the motion.

Hon. Mr. Suttor.—As it is the wish of the Conference I shall move the resolution standing in my name. I beg to move :—

"That in the opinion of this Conference, immediate steps should be taken to provide telegraphic communication by cable under sole British control between the Dominion of Canada and Australasia."

In doing this I desire to say that this resolution is framed so that we shall in the first instance consider the proposition in as general a way as is convenient and possible

to do; and although I move this resolution in this form, of course, it is not to be considered that I pledge my Government to support the cable, whatever the cost may be, or whatever the conditions under which it is to be constructed. The members of the Conference all feel that a good deal of light will be thrown on the subject now before us during this debate, and I am moving the resolution chiefly with a view of inviting the Conference to consider the position and whether this proposition to connect Canada with the Australasian Colonies by cable is or is not practicable. Now, in dealing with the matter I desire, as succinctly as I can, to place before the members of the Conference an historical sketch of what has been done in connexion with this project from the date of the Conference held in London, in 1887, until the present time, and I shall not detain them at greater length than is absolutely necessary. I find this proposition first took definite shape when the Conference sat in London, in 1887, on which occasion one of the representatives from Canada moved two resolutions which were carried. The first resolution adopted was:

"That the connexion recently formed through Canada from the Atlantic to the Pacific by railway and telegraph opens a new and alternative line of Imperial connexion over the high seas and through British possessions, which promises to be one of great value alike in naval, military, commercial, and political aspects."

The second resolution deals more directly with the matter we are now considering, and it is in the following words:—

"That the connexion of Canada with Australasia by direct submarine telegraph across the Pacific is a project of high importance to the Empire, and every doubt as to its practicability should, without delay, be set at rest by a thorough and exhaustive survey."

Now, although a resolution was carried, as I have already said, in the Conference as far back as 1887, I regret that the position has not since advanced beyond that stage. Although that Conference in very explicit terms expressed a wish that the doubt, if there were any, as to the practicability of establishing this cable, should be set at rest with as little delay as possible, still I fear that doubt still exists. After that resolution was carried, or about the same time—I am not quite sure as to whether it was during the sitting of the Conference, or after or before, but at any rate it was about that time—Canada itself made an appeal to the Imperial Government, and offered the use of a vessel with which to carry out the necessary survey between Vancouver and Honolulu, or through points in that direction, and she offered not only to find the vessel, but to defray half the cost of such survey. Then after that, another appeal was made from the Conference to the Imperial authorities asking them to undertake this work, which it must be patent to all must precede everything else—that is, to make a thorough survey of the proposed route. Well, this matter was considered by the Imperial authorities, with the result that in reply to a letter from the delegates, transmitted through Lord Knutsford, to the Admiralty, the Secretary of the Admiralty wrote:

Unless the Secretary of State has reason to believe that a submarine cable is likely to be laid from Vancouver to Australia very shortly, their Lordships will not propose to despatch a surveying vessel for the sole purpose of obtaining soundings over the route, but they will endeavour to arrange that soundings should be gradually obtained during the next few years in the ordinary course of hydrographic surveys.

Well, that appears to have been the position taken by the Imperial authorities upon a request made not only by the Conference I have alluded to, but also by the Government of this Dominion; and although one vessel was for a short time employed in making a survey on the Australian end of the line, still I think I am stating what is correct when I say that no survey whatever has taken place between Vancouver and Honolulu from that time up to the present; and the only way in which we can at all arrive at an idea as to the depth of the ocean on any part of the route proposed for the cable is by consulting the reports of the survey made from Honolulu to San Francisco by the United States Government by means of the vessel "Tuscarora." Now, as I said, it is, I think, rather unfortunate that the Imperial Government are not more energetic, if I may use such a term, in carrying out their promise, because undoubtedly they made a promise to the effect that a vessel would be employed, and that the survey would gradually go on, and that in the course of two or three years they hoped the survey would be complete; but instead of carrying on the survey which was commenced, the vessel was withdrawn, and, so far as we know, nothing further has been done. The next step taken was by a Conference held in Sydney, in March 1888.

On the 7th of March 1888, a resolution passed at a Postal Conference held at Sydney, all the Australian Colonies being represented, was telegraphed to Lord Knutsford. The telegram asked that the Admiralty might be moved to make an early survey of a suitable route for ocean cable telegraph by way of the Pacific Ocean from

Vancouver Island, the cost to be defrayed by Her Majesty's Government, the Government of Canada, and the Australian Colonies. The Colonial Office immediately communicated with the Admiralty, and asked for an approximate estimate of the probable cost of a survey. The Admiralty replied on the 4th April 1888. Their letter stated that Her Majesty's ship "Egeria" was on the point of sailing from Sydney to clear up the dangers and fix the positions by a survey of the islands on the route from New Zealand to Vancouver, and that the vessel had orders to obtain in the course of this work deep soundings which would in two or three years furnish more detailed information than now existed as to the varieties of depths to be expected on the general line of cable. I have mentioned that already. As to the probable cost of the survey, it was stated that the annual cost of Her Majesty's ship "Egeria" was about 12,000*l.*, and that if a similar vessel was provided especially for the purpose of making a complete survey of the best ocean route and landing places, the cost would be about 36,000*l.* This estimate was irrespective of the value of the vessel and the cost of fitting her out. And then again the opinion expressed in the letter from the Admiralty was to the same effect, that unless the Imperial authorities could be satisfied that some definite progress was going to be made, and there was some probability of the work being carried out within a reasonable time, they did not see that they were justified in immediately carrying on this survey at considerable cost.

Hon. Mr. FOSTER.—What was the computation as to cost?

Hon. Mr. SUTTOR.—The annual cost of the surveying vessel "Egeria" would be about 12,000*l.*, and if a similar vessel were provided for the purpose the total cost of the survey would be about 36,000*l.* Well now, the next steps the Colonies appear to have taken after that were those taken at the Postal Conference a few months ago, which was held in New Zealand, where delegates representing all the Australian Colonies assembled, the majority of these gentlemen being the Ministers in charge of the Postal Departments, having direct knowledge of the subject they wished to confer upon. That Conference, which met only a short time since, carried the following resolution:—

That considering the important interests involved, both of a national and commercial character, in the establishment of a Pacific cable, the representatives of the respective Colonies assembled at this Conference recommend their Governments to consider the desirability of entering into a guarantee with the other countries interested for a period not exceeding 14 years, and to guarantee interest at 4 per cent. on a capital of not more than 1,800,000*l.* to any company undertaking the laying of a Pacific cable; the tariff not to exceed 3*s.* per word for ordinary telegrams, 2*s.* per word for Government telegrams, and 1*s.* 6*d.* per word for press telegrams to and from Great Britain and the Colonies; and that the United Kingdom be asked to join in the guarantee; the routes to be either of the following: Brisbane to Ahipara Bay (New Zealand), Ahipara Bay to Suva, Suva to Apia, Apia to Fanning Island, Fanning Island to Sandwich Islands, Sandwich Islands to Vancouver; or from New Zealand to Suva, Suva to Apia, Apia to Fanning Island, Fanning Island to Sandwich Islands, Sandwich Islands to Vancouver.

Now, sir, that is the position apparently of this proposal until it arrives at the stage it is now in, when we are invited here to consider what further steps we can adopt to bring about what the great majority of us here by our very presence show that we approve of. Of course, difficulties may arise and different opinions may be held by some members of the Conference as to the best mode of carrying out this project, and as to the degree of responsibility we are prepared to enter into with our respective Governments. That, no doubt, will come out in the discussion which will follow the moving of this motion; but as my friend Mr. Lee Smith has given notice of an amendment, and as I understand the delegates from the Cape desire to enlarge the scope of the resolution, with a view, perhaps of having discussion upon some proposal which may be made, I would like to read the executive minute that was passed in Canada and sent down to the Australasian Colonies, signed by His Excellency Lord Aberdeen. This minute requests that delegates from the Australasian Colonies and Fiji shall meet at Ottawa:—

For the purpose of considering the trade relations existing between Canada and their respective countries and the best means of extending the same and of securing the construction of a direct telegraph cable between these Colonies and the Dominion of Canada.

Therefore, so far as this resolution I am now moving is concerned, I am inclined to think the discussion will have to be restricted to the proposal to construct a cable between the Dominion of Canada and the Australasian Colonies; but if that be not so, I am quite prepared to deal generally with the matter under discussion. Now, sir, if there is any one man more than another who deserves the congratulations of the people of Canada for the energetic way in which he has endeavoured to bring about the construction of this cable, it is Mr. Sandford Fleming. He has, in a way

we seldom find any gentleman doing, given an enormous amount of attention to the subject now under discussion, and I am sure he deserves not only credit for doing so, but also the thanks of every patriotic Canadian in this Dominion for the very great exertions he has taken in this direction. We must all of us have read with a great deal of interest the numerous letters he has written and the sketches he has given on the subject, and undoubtedly to all of us they have been matters of great interest. Mr. Sandford Fleming, arguing in favour of his proposal, says practically that the construction of this cable across the Pacific would in the first instance, stimulate and facilitate commercial intercourse; and I think that is so apparent from the facts that it needs no argument to prove it beyond those given by Mr. Fleming. Another argument that he uses is that the construction of such a cable would greatly assist in the defence of the Colonies during the time of war; and this, I think is a point we cannot lose sight of, especially in connexion with the position which the Imperial Government may take with regard to this proposal; because we feel that if this cable is going to be constructed, it should be a work of a national character, and that all parts of the Empire interested should accept some of the responsibility in connexion with the laying of it. That is a point I will discuss later on at greater length.

Now, if I am correct, Mr. Sandford Fleming's arguments are under three heads. His third argument is that the laying of such a cable will largely reduce the cost of cable messages between Australia and Canada and the United States, and that must be admitted as one of the strongest arguments in favour of this cable from a commercial point of view. It will not, I hope, be considered inopportune if for a few moments I go into the details of what the different routes proposed by Mr. Sandford Fleming are. I will point out his arguments in favour of them as shortly as I possibly can, and then I think it is only fair to the members of the Conference to point out the objections raised by the Imperial authorities to his proposals. I think we might have maps at our disposal by which we might trace the different routes. To begin, Mr. Fleming suggests four routes, no one of which renders it necessary to go outside of British protection. In the memorandum that he wrote in Sydney, on October 11th, 1893, he described definitely four routes which he proposes, any one of which, he argues, would be without undue cost. Route 1, he proposes to commence at Vancouver Island, and extend to Fanning Island, and thence to the nearest island of the Fiji group. From Fiji it could run direct to New Zealand, and thence to the Australian continent; or it could go from Fiji to Norfolk Island, and from there bifurcate to the northern part of New Zealand and to a convenient point near the boundary between New South Wales and Queensland. The length of this line would be 7,145 knots and the cost would be 1,678,000*l.* The second route proposed would go from Vancouver Island to Necker Island, a small unoccupied island 240 miles from the Hawaiian group. From Necker Island it would go to Fiji, and thence, as in Route No. 1, to New Zealand and Australia. The length of this line would be 7,175 knots and the cost would be 1,585,000*l.* The third route would go from Vancouver Island to Necker Island, and thence to Onoatoa or some one of the eastern islands of the Gilbert group. From the station in the Gilbert group, two branches would extend—one to Queensland, and the other to New Zealand. The Queensland branch would touch at San Christoval Island in the Solomon group, and terminate at Bowen, connecting at that point with the land lines easterly to Brisbane and Sydney, and then going westerly to the Gulf of Carpentaria, where a connexion might be found with the overland line to Adelaide, leading to Victoria, Tasmania, South and West Australia. The New Zealand branch of the route would find a mid-station on Vitu-Levu, the southern Island of the Fiji group. The length of this line would be 8,264 knots and the cost would be 1,825,000*l.* Then the fourth route would be from Vancouver to Necker Island, and thence in a direct line to Bowen, touching at Apamana—a central island in the Gilbert group—and at San Christoval of the Solomon group. At Bowen, as in the case of Route 3, the line would connect with the southern Colonies by means of the overland line to Adelaide. This route offers probably the shortest line between any part of Canada and any part of continental Australia, but it has the disadvantage of excluding from its telegraphic service the Fiji Islands and New Zealand. That line would be in length 6,244 knots, and cost 1,380,000*l.* according to the estimate given by Mr. Sandford Fleming. It may not be inopportune to remind the members of the Conference that three out of the four of the routes, outlined or proposed by Mr. Fleming, touch Necker Island, and until a short time ago Necker Island was apparently no man's land. It was supposed to be open to annexation by any nation, hence it was a reasonable proposition to make that a part of Mr. Fleming's scheme and land the cable on Necker Island with a view to lessening the distance between Vancouver and Fanning Island, if such a course were

found to be necessary. He proposed to carry the cable from Vancouver to Necker Island to shorten the distance. That was the position until a few weeks ago. I understand in the estimate of cost given by Mr. Sandford Fleming he has added 20 per cent. to the mileage for "slack" in order that the cable may be safely laid at all depths, and in the case of No. 1 a special allowance is made on account of the unusually long section between Vancouver and Fanning Island. Mr. Fleming is so intimately conversant with this project, that we cannot allude to this work without constantly using his name. I find that he has made several proposals in regard to the way in which his scheme should be carried out. The first proposition is that the work should be carried out through the agency of a company liberally subsidised, and the second is that it shall be a public work carried out entirely under Government control, each Government interested paying pro rata for the construction. Now with regard to these two proposals made by Mr. Sandford Fleming, I think I shall be justified in expressing the opinion that so far as the Government of New South Wales, of which I am a member, is concerned, I do not think that we can see our way clear to enter into any arrangement such as that by which this cable will be constructed directly by the Government itself. My Government is not prepared at the present time to enter into any such proposal as that. Mr. Fleming admits that he recognises the difficulty arising from the obligation of certain of the Australian Governments to pay the Eastern Extension Company until May 1899 an annual subsidy of 32,400*l*., but he considers that it can be readily overcome by providing out of capital an annuity to meet the subsidy as it annually becomes due. That, of course, is in the event of the Governments of the different Colonies arranging to carry out this work themselves. While I do not think it is at all likely that the Governments will enter into any such proposal as that—I may say here, in parenthesis, with regard to the Eastern Extension Company, that the Colony I come from (New South Wales) has no feeling whatever against that company. We feel that during the time it has been in existence it has done good work. We feel that it has on every opportunity met the wishes of the different Australian Governments, so far as it could within reasonable limits. And, if the construction of the Pacific cable means the destruction of the other cable, I do not see that by constructing the Pacific cable and destroying the other we shall be in any better position than we are at present. Therefore, whilst I am quite prepared to give all the assistance that I legitimately can with my instructions to the consideration of this cable, I do not see that we should be justified in constructing it if it is going to cause the destruction of the one already in existence. We feel that there is work for both these cables, and that we should assist in every possible way we can in doubling this communication between the parts of the Empire concerned. Therefore, we are of the opinion that whilst we will give all legitimate assistance to the proposal now under consideration, at the same time we do not in any way desire to unnecessarily hamper or restrict or discourage the companies already in existence by which we have telegraphic communication between Europe and Australasia.

Hon. Mr. Foster.—The Eastern Extension Company is Sir John Pender's?

Hon. Mr. Sutton.—Yes, but I think the more we leave out the names of individuals in these discussions the better. Some little time since Mr. Fleming was under the impression that we had no hope of getting any assistance from the Imperial authorities, and he then suggested that the Dominion of Canada and the Australian Colonies with Fiji should take up this work and build the cable at the cost of these great dependencies. Although I do not for a moment doubt the capacity of the different Colonies for constructing a work of such magnitude, still I feel that the Imperial authorities, if this line is to be considered a national one, should assist us in the construction of such a work. The Imperial authorities ought to do this, if it is to be considered at all from a national point of view. We find that one Colony which is now rapidly increasing both in population and importance, Fiji, is a Crown Colony, and as we all admit, if this cable is to be a success, it should go through as much British territory as possible, and Mr. Fleming's proposal is that it should go through Fiji. As Fiji is a Crown Colony, I do not think we are asking too much, even from that point of view, in requiring that the Imperial Government should give some assistance in this great undertaking. Now it is not necessary for me to dilate further on the advantages that we must all see would be derived from the construction of this cable. We in Australasia will be placed in direct communication, not only with this great Dominion of Canada, but with the great nation adjoining her boundaries with its sixty odd millions of people—the United States of America—with whom we are on the most friendly relations, and with whom we consider the importance of trading, which is only natural. If this cable should

be constructed, if possible through English territory, between Australia and Canada, one of the strongest arguments in favour of it no doubt is that it will foster, not only fuller communication with the Dominion of Canada, but the whole of this great continent of America, than we now have. It will materially cheapen the means of communication between these two sections which are now becoming larger and more important every day. As this matter has been for some time under the consideration of many scientific men—I have as shortly as I could pointed out the advantages derivable from the proposed line—it is now only right that I should give an epitome of the reports from scientific men who have objected to some of the proposals submitted by our friend Mr. Sandford Fleming. These reports point out that there is a strong probability of some of his proposals being impracticable, or if not impracticable, at least so costly that no direct good would come from the construction of such a line. In December 1892, the Secretary of State for the Colonies wrote to the Postmaster-General in London upon the question of the construction of the submarine cable between Vancouver and Australasia, and on the 5th of July 1893, a reply was sent to that letter, and although they did not fix upon one of the lines suggested, they fixed practically upon a somewhat similar route and they discussed the possibility of constructing a cable over that route. The proposal the Postmaster-General made, through his scientific officer, was that the line should go from Victoria, Vancouver Island, to Fanning Island, which is a distance of 3,298 knots, and from Fanning Island to Canton Island, and from Canton Island to Fiji, and from Fiji to the Bay of Islands, New Zealand, a total distance of 6,353 knots. To this it was necessary to add what Mr. Fleming has done to his lines, 20 per cent. for "slack," making the total distance 7,623 knots. Now that distance, according to the report, between Fanning Island and New Zealand can be laid without any unusual cost, and experience shows that there will be no great difficulty at all in constructing that portion of the cable. It will be sufficient there to lay a cable of which the core would consist of 130 pounds of copper and 130 pounds of gutta-percha to the knot, or 150*l.* to the knot, or say 549,900*l.* for the three sections from Fanning Island to New Zealand. But they take great exception to the proposal to lay a cable from Vancouver to Fanning Island, by reason of the stretch of distance and unknown depth that will have to be spanned between these two points, and they say that even to secure a moderate working speed of 12 words a minute you will have to lay a cable with a core of 940 pounds of copper and 940 pounds of gutta-percha to the knot, and the cost of manufacturing and laying such a cable would be 600*l.* a knot, or 2,374,200*l.* So you will see whilst the ordinary cable contains 130 pounds of copper and 130 pounds of gutta-percha to the knot, according to these authorities, if we lay a cable from Vancouver Island to Fanning Island, we shall require one containing 940 pounds of copper and 940 pounds of gutta-percha to the knot. The total cost of the whole line from Vancouver to New Zealand will be about 2,924,100*l.*, or roundly, the construction of this cable from Vancouver to Australasia, if we have to construct it from Vancouver to Fanning Island, means the enormous sum of 3,000,000*l.* The great trouble will be to span the great space between Vancouver and Fanning Island. Perhaps, coming as we did from the Australian Colonies, we have not been able to secure the latest information on the subject, and I am only too glad to have been just now informed by his Lordship the Earl of Jersey that the figures I have just quoted have been reduced from roundly 3,000,000*l.* to 2,128,650*l.*

Lord Jersey.—The cost is put at less, viz., about 1,800,000*l.*

Hon. Mr. Fitzgerald.—And on accurate survey might be still less again, the figures of the survey being so very imcomplete.

Hon. Mr. Suttor.—I am glad to have this later information. I am glad to find there is so much reduction in the estimated cost. Still the cost of the construction of this line can only be approximate, because we have from Vancouver Island to Fanning Island a stretch which is absolutely an unknown sea. Until we get that length thoroughly measured as to depth, I take it that no officer of any experience can give any definite idea as to what the cost may be. The depth between Vancouver and Fanning Island may not be so great as we have been led to believe. Of course, if it be not so great, the cost of laying the line would be very materially lessened. I have corrected some of the figures I have made with regard to the cost estimated by the Postmaster-General at London. But besides that a further report was submitted to the Imperial authorities by the Hydrographer of the British Navy, and although that report dates back as far as 1887, I am informed by Lord Jersey that so far as the estimate

is concerned, the information upon the probability of carrying out this line remains as it was.

Lord JERSEY.—Substantially.

Hon. Mr. SUTTOR.—Substantially the same. I do not think we can easily cast aside the statements of a responsible officer, such as the Hydrographer of the Navy, and we are bound to consider, if we can, any objection raised by a high authority as he must be. It seems to me the position he takes appears to be strong, and it requires some very forcible arguments to show that the statements made by him in connexion with this matter are altogether unworthy of consideration. He pointed out that to minimise the effect of breakdowns on a submarine cable, the individual length between the landing places should be as short as possible, in order that the time lost in bridging over by a steamer, until the repairs can be made good, should be reduced to a minimum.

The proposed line, would not only be made up of the longest length of submarine cable known (the proposed line of cable between Vancouver Island and Fanning Island) "but the state of trade at the calling places, is such that steamers might not "be available for temporary service in case of a messenger vessel being required." These difficulties can be got over. Further the Hydrographer states "(1) that very "few soundings exist on the actual line proposed; (2) that the soundings near this "line show that the depth is unusually great, and therefore unfavourable for repairing; "(3) that the probability of sudden inequalities at the bottom are very great, in such "an island-studded sea, and that such inequality would be also unfavourable to the "maintenance of the cable; and (4) it would require a long and minute search by a "vessel perfectly fitted out for sounding before the best route could be selected." "It is very doubtful therefore," the Hydrographer concludes, "what the ultimate cost "of the undertaking may be, and even at the estimate of 2,000,000*l.*, it is more than "doubtful whether it could possibly be made to pay," and now this is the concluding paragraph of the Hydrographer's remark which I am quoting. We all desire to be enlightened and I will be very glad to listen to any reply. He says:

> As a single line of submarine telegraph has never yet been found to answer commercially, it would probably be necessary to duplicate this one; and this would cost about 1,500,000*l.* extra.

Now, if we are to involve our Colonies in such a large expenditure, not only for the single cable, but it may be to duplicate it, we shall have to seriously consider whether we are in a position at all to undertake such a proposal as this, but we know that, although a single cable may not be as convenient as a double one, many telegraph lines have worked with a single cable for some considerable length of time before the duplicate has been laid down. As the Eastern Extension Company has already been mentioned by me, I do not think it is necessary at this stage that I should use any arguments raised by them in objection to this proposed line. I have restricted myself wholly to the opinion expressed by the different officers employed by the Imperial Government. I have alluded to the report submitted by the Postmaster-General, and to the report furnished by the Hydrographer of the Navy. The Secretary of Telegraphs, in New South Wales, Mr. P. B. Walker, who, I think, will be admitted by any one knowing him, to be an officer of high standing and considerable ability, discusses these proposals as submitted by Mr. Fleming. First of all he questions the accuracy of the estimated cost.

Hon. Mr. FRASER.—Mr. Walker is the Secretary of Telegraphs for your Colony?

Hon. Mr. SUTTOR.—Yes, he is the Secretary of Telegraphs for New South Wales. He disapproves of all the routes proposed by Mr. Sandford Fleming, and questions the accuracy of his estimate of cost. But his disapproval of the routes are from a commercial point of view rather than from a national or strategic point of view. Mr. Fleming's desire is that this cable should be laid absolutely and entirely through British territory, while this officer looks upon it from the commercial point of view rather than the national point of view. With regard to the length of distance to be spanned between Vancouver and Fanning Island, Mr. Walker is very strongly of the opinion that it is not at all likely such a length of cable could be successfully worked. He says route No. 1, as propcsed by Mr. Fleming, would be a mistake, as such a length of cable as that required between Vacouver Island and Fanning Island (3,200 nautical miles), without any intermediate relay, would not work satisfactorily. He points out that it is well known, that when a cable over 3,000 miles in length is worked in a direct circuit, great difficulty is experienced through the slow progress in working, and he is quite sure that no cable company would attempt such a cable. The longest length of

cable worked en route to England extends from Bombay to Suez, a distance of 3,253 knots, but it touches at Aden where an intermediate relay is inserted to assist the circuit. There is another cable from Alexandria to Gibraltar, 2,037 knots, with an intermediate relay inserted at Malta, and there is also a cable from Port Darwin to Singapore of 2,055 knots, with a relay at Banjoewangie, and one of 1,770 knots, from Singapore to Madras with a relay at Penang. From the practical experience of the existing cable companies, such a proposal as that to connect Vancouver and Fanning Island direct is not, he thinks, satisfactory. At this stage it will not be necessary for me to detain the Conference by discussing in detail, or at any very great length, the financial part of this matter. I think as far as I am concerned, I might leave that to a subsequent occasion if it becomes necessary. My Government are not in any way tied down to any particular scheme or any particular route; but I am prepared to listen to every suggestion made and every argument used in reply to the objections taken as to the practicability of the route proposed between here and Fanning Island. If that route cannot be carried out, no doubt some alternative proposal can be made. Now, as I have already stated I feel that this, if it should be undertaken at all, should be undertaken as a great national work. I hope that those of us representing the Australasian Colonies will, if possible, work harmoniously in endeavouring to bring about what we must all admit would be a very great benefit, not only to ourselves, but to the Dominion of Canada, and also to England. If this is to be considered from a national point of view, and if it will be possible to construct this cable entirely through British territory, we shall not be asking too much if we inquire of Lord Jersey, who represents the Imperial Government, how far the Imperial Government is prepared to assist us in the work which we propose to take in hand. If we are informed that the Imperial Government do not see their way at all to assist, then the question will remain with us whether we shall have sufficient power behind us to construct this line irrespective altogether of the British Government. With regard to the preliminary step that must be taken, that is to say, the necessary survey between Vancouver and Fanning Island, or between Vancouver and any other island which may be chosen as an alternative route, I am permitted to say that my Government is quite prepared to bear its proportionate share of the expense of that survey, if the Home Government do not see their way to meet it with the ordinary means at their disposal. As to the way in which the line will be constructed, I do not think that my Government will agree to any proposal by which the work shall be carried out under the direct control or at the cost of the governments. We feel that this, as other projects of a similar nature, should be allowed to rest with private enterprise; and further, although I am not directly prohibited from entertaining any proposition that will necessitate my Government granting a subsidy in the event of such a line being undertaken; still at this stage I must say that we would much prefer that our responsibility should not be beyond those laid down by the Conference in New Zealand. We are not prepared to subsidize any company, but we are quite prepared to enter into a guarantee as defined by the Conference in New Zealand, to provide that any company undertaking this work should not be at a loss; in other words, that we should provide the difference between some fixed amount of interest mentioned and the deficiency that would arise between the net receipts and that amount. So far as I am concerned, and those I represent, we shall be willing to go as far as that. I do not feel that we are in a position at this early stage to consider this subject in detail, and therefore I have asked you to approve of this resolution, which simply expresses the opinion that early steps should be taken to connect the Dominion of Canada with the Australasian Colonies. Sir, I have very much pleasure in moving the resolution as it stands in my name.

Lord JERSEY.—May I ask Mr. Suttor one question; it is rather a leading one, but what would be the basis of the pro rata arrangement to which you alluded as having been suggested by the New Zealand Conference?

Hon. Mr. SUTTOR.—The pro rata amount would be taken, as is generally done in our Colonies, on a population basis. That is the basis we pay our subsidies on, and no doubt we would pay this the same way.

Lord JERSEY.—But as regarded Great Britain and Canada?

Hon. NICHOLAS FITZGERALD.—Lord Jersey appears to be asking what the proportions would be of payment between the Imperial Government and the Australian Colonies.

Lord JERSEY.—That is the question, and it is very important.

Hon. Mr. SUTTOR.—I will refer to the resolutions I have already read which were passed at the New Zealand Conference.

Mr. Lee Smith.—It is half and half; Australian Colonies half and Canada and Great Britain half.

Hon. Mr. Suttor.—That was the proposal made some time ago.

Lord Jersey.—It was supposed to be a tri-partite agreement?

Mr. Lee Smith.—Exactly.

Hon. Mr. Suttor.—I think I am only echoing the sentiment of my fellow members when I say that if the Imperial Government will come in, in a reasonable way we shall be prepared to accept all the responsibility we can in this matter.

Mr. Lee Smith.—Would it not be a convenient way to move my amendment now, seeing a similar question has been raised by Sir Charles Mills? It would clear the ground.

Sir Adolphe Caron.—I should like to know if any gentleman wishes to speak to this motion and then I would hear the amendment.

Hon. Mr. Fraser.—I think it would be greatly to the advantage of members of this Conference if the paper of Mr. Sandford Fleming were taken now. The motion is now afloat.

Mr. Sandford Fleming.—There are two or three points raised by the delegate from New South Wales which I would like to refer to, but I am afraid it would take up the time too long. I may have an opportunity of referring to them at a later stage. At present I will, as desired, read the paper which I prepared at the instance of the Minister of Trade and Commerce:—

Mr. President, My Lord and Gentlemen:

Every thoughtful man must be impressed with the importance and significance of this gathering in the Canadian capital. We have here assembled representative men from the British peoples who dwell in distant parts of the world, who have travelled to Ottawa, some of them from the other hemisphere, to consider matters of common interest, and determine the best means by which we can be drawn closer together. The primary object, or at least one of the primary objects, of this Conference, is to effect some practical arrangement for the establishment of a Pacific cable. The subject is one to which I have given my attention for years, and in placing before you the views which an earnest consideration of the question has led me to entertain, I am sustained by the conviction that I am performing a public duty in doing so. May I then venture to hope, that you will not consider me as unduly intruding the opinions I express, and that you will absolve me from the charge of undue self-assertion.

There are many leading minds in the mother country, in Canada, and throughout the Colonies who recognise the value to the Empire of a telegraph across the Pacific, who indeed wonder that it has not before now been established. One reason is the opposition of a strong joint-stock company, the managers of which have exercised their hostile influence in every possible way since the first inception of the project. It seems proper, therefore, before taking up the broader and more important considerations, that I should in a few words examine the position taken by that company and answer the principal arguments they have advanced.

With your permission, I will allude to the latest hostile utterance. It may be found in a recent communication from Sir John Pender, the influential chairman of the Eastern Extension Telegraph Company. This document was addressed to the Colonial Office, London, on April 4th of this year; a copy was sent on April 14th to His Excellency the Governor General of Canada for the information of the Canadian Government. Two days later, April 16th (and it must have been communicated by telegraph to Australia), it was sent from the office of the Eastern Extension Telegraph Company in Melbourne to the Premier of Victoria, and I have reason to think that copies were sent at the same time to every one of the Governments of the Australian Colonies. Thus it is obvious that the chairman of the company attaches great weight to this document in which strong representations are made in opposition to the Pacific cable, and if he be correct in his statements and right in his conclusion, I may almost say that this Conference need go no further in the matter. But, however much the opinions of Sir John Pender may command respect, I am compelled to express my strong dissent from them in this instance, and in doing so I shall, with your leave, submit the reasons on which I ground my objections to the statements and representations which he has thought proper to bring to the special notice of all the governments interested.

Sir John Pender, represents that the existing service was established solely by private enterprise, and that it has received but little aid from government; that a cable across the Pacific is not required; that it would require, in order to make it succeed, an annual grant, in the form of subsidy or guarantee, of 192,235*l.* sterling; and that as it would be a serious injury to the existing service, the Government could not in equity refuse to assist to the same extent the Eastern Extension Company. He likewise asks, that if it be determined to establish the Pacific cable, the Government should hand over the requisite subsidies to his company to carry out the undertaking.

In answer to these representations I desire to remark:

In one of the first paragraphs of his communication Sir John Pender writes:—

"In the first place it ought not to be overlooked that the existing telegraphic communication with Australia was established by private enterprise without any governmental assistance whatever in the form of subsidy, guarantee, or exclusive landing rights."

Subsequently, he qualifies this statement by admitting that subsidies at a later date were granted. While in one sense he may be correct in stating that the telegraph company was brought into operation without governmental assistance, it is equally certain that, in order to make the service more efficient, government aid was subsequently sought and obtained. It is a matter of notoriety, that the telegraph company as it exists to-day is indebted to governmental assistance for its present prosperous condition. The public accounts establish that sums have been paid by the Australian and New Zealand Governments amounting in all to 616,250*l.* Moreover, these governments are under obligations to make further yearly payments of 32,400*l.* for each of the coming five years, amounting to 162,000*l.*; thus making the total amount received and receivable

equal to 778,250*l*. Even this total sum does not represent the full pecuniary consideration agreed to be given the company by these governments, for under a guarantee arrangement entered into four years ago by some of the Colonies, further sums are payable.

It is readily conceded, that the trade and commerce both of Great Britain and Australia have been greatly benefited by the use of the Eastern Extension Telegraph, but even in view of this fact it cannot be claimed on behalf of the company that governmental aid on an exceedingly generous scale has not been extended to it. Let us estimate the cost of the cable between Asia and Australia; the length of line from Singapore to Port Darwin is, according to the Hydrographer of the Admiralty, 1,925 miles, and a single cable over this distance could be laid for 354,000*l*. The company will have received, including the future amounts receivable from the governments not less than 778,250*l*., a sum considerably in excess of the cost of two cables over the whole intervening distance from Asia to Australia. Thus it may be said that the Colonial Governments, in one form or another, have paid from the public exchequer capital sufficient to establish the whole of that portion of the company's system which controls Australian business.

In other respects the company has not been unrewarded for its venture. Notwithstanding the fact that it has been so liberally subsidised by the Government, the company has exercised its power to exact from the public enormously high rates for the transmission of messages. As a consequence the revenue has been very large indeed. We learn from the published reports that a dividend of 7 per cent. has been paid on the stock, which is held at a premium. But it is well known that the stock as it stands to-day represents but the nominal capital of the company, and 7 per cent. on the nominal capital is equal to over 9 per cent. on the original investment. Perhaps I may make this clear by reading a few lines from an excellent authority, "The Economist," of August 23rd, 1890, page 1076:—

"It is worth while examining into the claims which the various cable companies put forth to an adequate renumeration on their invested capital. Six and half and seven per cent., though very fair rates as times go, are nothing extraordinary in themselves upon investments of twenty years' standing. But it must be remembered that these are the rates payable on a watered capital, and that they represent considerably higher returns upon the money actually put into the cables. Thus the Eastern capital was watered to the amount of 819,500*l*., and the Eastern Extension to the amount of 472,500*l*, and a dividend of 6½ per cent. on the Eastern capital should read as over 8½ per cent. on the original capital, while 7 per cent. on the Eastern Extension capital means over 9 per cent. on the capital prior to its being watered. Beyond this, these companies have worked themselves into a strong position by not dividing to the full extent profits legitimately earned. The dividends have been no guide to the profits made, and if requisite the tariffs could be much reduced without affecting the payments to the shareholders."

"The Economist" goes on to point out the large reserves which have been accumulated out of revenue. On this point I shall refer to even a higher authority than "The Economist"—I shall refer to the directors of the company themselves. The statement recently laid before the shareholders by them states, that at the close of the year 1893 the total sum of 633,686*l*. had been thus accumulated after paying out of revenue the cost of new cables and cable renewals to the extent of 1,160,685*l*. These are very large sums to be realised out of revenue, in addition to the dividends which have been regularly paid, and perhaps the fact may in part explain the hostility of the Eastern Extension Company to the Pacific cable. It is but natural, that the company should object to have a business so lucrative being interfered with by a line which they are warranted in thinking would prove a formidable rival.

It is not necessary to refute the opinion of the Chairman of the Eastern Extension Company with respect to the inutility of a telegraphic connexion between Canada and Australia. It is scarcely possible to find a single man unconnected with, or uninfluenced by, the existing telegraphic company, who will accept Sir John Pender's conclusions on this point. It would be a waste of time were I to repeat the arguments which have been advanced to prove that the Pacific cable is really indispensable. I will, however, refer the members of the Conference to the report on the mission to Australia by the Canadian Minister of Trade and Commerce which has recently been issued. It may be remarked in addition to what is therein stated, that a strong practical proof of the necessity of the cable is furnished in the late stranding of one of the steamers of the line established last summer, and the long suspense and anxiety everywhere felt as to the fate of passengers and crew. Moreover is not this Conference, is not the presence in Ottawa to-day of delegates from our distant sister Colonies, evidence sufficient to show that the governments they represent do not accept the opinion that there is neither commercial nor political needs for the cable? On the contrary, does not this assembly mean that our fellow Colonists of Australia and New Zealand are fully alive to its necessity?

Sir John Pender expresses the opinion that the Pacific cable will not succeed, unless enormous subsidies be granted. He estimates that the Government would require to make up by subsidies or guarantee no less than 192,235*l*. annually. Among other causes of expense, he asserts that it will be necessary to charge annually upon revenue 105,000*l*. as a fund for "amortisation" to effect the renewal of the cable every 14 years. I am in possession of a letter which Sir John Pender caused to be sent to the Premier of Victoria on April 27th last, in which he incidentally admits that the Eastern Extension Company did not take the course with respect to "amortisation" which he says would be the unavoidable consequence in the case of the Pacific cable. What he there states is that "in early days our earnings only admitted of very limited contributions to reserve." To my mind it will be the same with the Pacific cable, and it is difficult to assign any reason why the principles acted upon in the first years of the existing company should not be applicable in the case of the new enterprise. No one can expect that the new cable will at once reap its harvest of revenue, but I for one confidently believe that in a very few years after its establishment on the basis proposed, owing to reduced charges and the growth of traffic, telegraphy will be enormously increased, and will lead to a regular and profitable business. Again, it is by no means an established principle, that the revenue should be taxed from the first day a message passes through the line, to provide for the renewal of the cable at the expiration of 14 years. The best cables of modern manufacture are not so short lived, and how long submarine cables will last is in fact undetermined. The views of practical men on this point are steadily changing year by year, and the opinion is gaining ground, that cables of a good modern type, and especially those placed in positions not exposed to the action of the waves or marine insects whose destructive effects are experienced only in shallow water: that is to say, cables laid in deep water and imbedded in the soft ooze of the bottom of the ocean, will remain undisturbed and serviceable for generations. So good an authority as the "Electrician" of April 20th, 1892, has the following:

"The 1873 Atlantic cable has never required any repairs to the deep-sea portion since it was laid 21 years ago, and there cannot be any doubt that cables recently constructed, with all the knowledge acquired by the experience of the past should have a much longer life and greater immunity from interruption, than in the case of those laid in the earlier years of submarine telegraphy."

With respect generally to the opinions expressed by Sir John Pender in the communication submitted by him to the consideration of the governments concerned in the establishment of the new cable, it is not possible to set out of view, that, as chairman of a prosperous company desirous of avoiding competition, he is interested in the non-completion of a telegraph across the Pacific. Such a line of telegraph would lead to a revolution in the *status* of the enterprise he directs, and one of the first results would be a reduction of profits. It may, however, be pointed out that a line across the Pacific must be accepted as a fact of the near future, whatever rivalry it may create. The progress and well-being of Canada, Australasia and the Empire cannot be retarded in order that the lucrative business of a private company may remain without change. Even if the chairman of the Eastern Extension Company succeeded in converting us to his commercial ethics, that the profits of the monopoly he represents must be maintained inviolate, it does not follow that the project of a Pacific cable would not be carried out in some form, even if Canada and Australia abandon it. There are, indeed, unmistakable signs that a Pacific cable may shortly be carried out by France and the United States. We all know that France has already completed a section of 800 miles at the southern end, and the United States has recently expended $25,000 in making an elaborate survey of about one-third the whole distance running southward from San Francisco. With a rival line in foreign hands, it is easy to see that the Eastern Extension Company would gain nothing, while the Empire would lose much.

I have given the subject of future revenue much careful consideration, and I have expressed my views at some length in the memorandum prepared by me when in Australia in October last year. This memorandum is embraced in the report of the Minister of Trade and Commerce recently issued (pages 70–73). I beg leave to refer to the estimates there submitted, in which I endeavoured to state the case fairly: and I think I have succeeded in showing that, in from four to seven years after the completion of the undertaking, the earnings would be sufficient to meet all charges, including interest on cost; and that after that period there would be an annually increasing surplus to be dealt with as may be deemed expedient.

I do not think that these estimates can be held to be other than reasonable. The calculations are based on data which cannot be impugned, indeed I am satisfied that the results presented are rather under than over the mark. In proof that these estimates are moderate and reasonable, it may be noticed that they are based on an assumed traffic, considerably less than the actual present traffic, which was only correctly ascertained at the close of the year. In further proof of the soundness of the principles on which these estimates have been made, I may refer to a memorandum over my signature, dated April 6th, 1886, published with the proceedings of the Colonial Conference of 1887. In that document, prepared eight years ago, the estimate of the number of telegraph messages for 1893 differs only 2¼ per cent. from the number of messages actually sent last year, according to the published statement of the Eastern Telegraph Company.

We must all admit that the Eastern Extension Company has been the pioneer in cable telegraphy between Australia and Europe, and the facts brought out clearly establish that the company has been well recompensed for being first in the field. We gladly give the due meed of praise to that company for its successful enterprise, and we have additional satisfaction in congratulating the shareholders on the handsome returns they have received for their investment. The Eastern Extension Company must, however, awaken to certain facts, if its directors have not already done so, viz.: (1) that the Australian Colonies no longer remain in the primitive state of development; (2) that the expansion of the trade and commerce alike of Australia and Canada requires direct cable connection across the Pacific; and (3) that the needs of the Empire demand that the telegraph to connect two of the most important colonial dominions should be in British, and not in foreign hands. I think that I am warranted in saying that this is the view held in Canada, and if I understand the opinions which prevailed in the Australian Colonies generally, they were expressed by the Postmaster General of New Zealand, the Honourable Mr. Ward, on the 20th of April of this year, soon after receiving Sir John Pender's last communication. I quote the words of Mr. Ward as reported in the press:—

"He" (Mr. Ward) "held that the Colonies could not take cognizance of the interests of the shareholders in an ordinary commercial undertaking. He held, that among other things, the business of the statesmen in Australia was to provide the best means of transit by cable between the Colonies and Europe, and that, if the establishment of the Pacific cable meant interference with a lucrative investment for the shareholders of the Eastern Extension Company, this was no reason why a great work of this kind should be dropped by the Colonies. He firmly believed that the delegates to the Canadian Conference would show that they were strongly impressed with the great advantage, both of a national and commercial character, which would follow the establishment of the Pacific cable."

I think I have fairly brought to your notice the several points in Sir John Pender's communication which call for attention, except that contained in the last paragraph. Notwithstanding the strong and prolonged antipathy which he has shown to the laying down of the Pacific cable, he expresses his readiness to take a prominent part in establishing it, if the "governments concerned are prepared to provide the requisite subsidy to enable it to be carried out." By "requisite subsidy" it may be inferred from his estimate submitted in the same document that he means 192,235*l.* per annum. Here we have, at least, a definite idea of what he thinks a requisite subsidy should be, and he urges that his company "with its large experience and special facilities, is in a better position than any other company to carry out the work advantageously."

It is difficult to believe that this proposal has been seriously made. I shall, however, refer to it later. At present, I shall only remark, that it comes from one who for years has been unceasing in his hostility to a work the consummation of which is held to be subservient to the highest interests of the Australian Colonies, Canada, and the Empire.

Having presented to you the indisputable facts, which must clear up all doubt as to the true position of the Eastern Extension Company, and show that this company has really been built up by governmental assistance, and has drawn from the public enormous sums, I will now, with your permission, allude to the possibilities in the future which the Pacific cable, established in the public interests, would open up.

With an electric cable laid across the Pacific, all points in Australia by means of land lines may communicate with all points in the United Kingdom without a single message being repeated in a foreign port. The geographical position of Australia is such, that the telegraph system can be extended westerly to South Africa and north-westerly to India—in both cases by cables of moderate length and without touching territory which is not British. South Africa may be connected telegraphically with Australia by two routes. First, by a cable laid from Durban in Natal to the south-west coast of Western Australia, touching at the island of St. Paul in mid-ocean. The two sections would together be about 4,200 miles, and would cost probably less than 950,000*l.* Second, by a cable extending from Natal to the Mauritius 1,600 miles, thence to the Keeling Islands, 2,300 miles, and thence to N.W. Cape in Western Australia, 1,150—total, 5,050 miles; or it may be extended from the Keeling Islands direct to Port Darwin, although the distance would be somewhat greater.

THE WORLD ON MERCATOR'S PROJECTION.

The Red lines indicate the existing lines of Telegraph from England to India, Australia and South Africa, each one of which passes over the Territory of Foreign Powers.

The Blue lines indicate the Telegraph system of the British Colonial Empire, referred to in the address of Mr. Sandford Fleming at the Colonial Conference of 1894.

The second route, although the longest between South Africa and Australia, has the advantage of approaching India at the Keeling Islands. From these Islands the distance to Ceylon is about 1,450 miles, so that India, as well as Africa, could thus be connected telegraphically with Australia, by laying cables from point to point, aggregating a total distance of 6,500 miles. The whole cost would not be far from 1,500,000*l.*

In order to make plain the vast importance of these possible extensions of the Australian Telegraph system, considered in conjunction with the Pacific cable, let us examine the map of the world, on which the British possessions are depicted. The prime meridian passing through Greenwich may conveniently be taken as a base, separating as it does east from west longitude. It may be observed, that no single British possession in east longitude is connected telegraphically with London without having the wire passing over some foreign territory or landing at a number of foreign ports. This is true of South Africa, of India, and of Australia. If a difficulty arose in Portugal, or in any one of the half-dozen foreign ports touched by the present telegraph, South Africa would be cut off, or should a similar difficulty be experienced in almost any part of Europe, or in Egypt, both India and Australia would be cut off. It was pointed out a few weeks ago at the annual meeting of the London Chamber of Commerce by the chairman, Sir Albert Rollit, that if the land wire between Bombay and Madras was cut during any rising in the interior, Great Britain would have to communicate with Australia through Siberia. The chairman might have added, that there are many places equally vulnerable on the existing telegraph system both east and west of India.

I am sure the representatives from South Africa will bear me out in this. With the permission of one of them, Mr. Hofmeyr, I would like to quote from his speech at the Conference of 1887. On that occasion, Mr. Hofmeyr foreshadowed the scheme of the great Imperial cables I am touching upon. He said: "We must "not only look to the proposed Pacific cable for communication with Australia, but also to, I should not say "an alternative, but a duplicate scheme of submarine communications. When I say this, I look to my part of "the Empire, that is to say, South Africa. Let us view the position of affairs at present as far as South Africa "is concerned. It is pretty generally agreed, that if war should break out the Suez Canal would be blocked. "Table Bay is dependent for its telegraphic communication upon the Eastern Company's line, which comes "down by the east coast of Africa. It is laid in shallow water and touches at many points of foreign territory, "I cannot say how many, but very many points indeed. Now, if in time of war the Suez Canal is blocked, it "stands to reason that all communication by this cable would be blocked too. It might be cut at various "points. England might be at war with any European nation whose territory is touched by this cable; in "other words, there would be no communication between England, the most important part of the British "Empire, and the rest of the world; telegraphic communication would cease at once."

Since 1887, when these words were spoken, a cable has been laid along the west coast of Africa, but it is open to precisely the same objections, touching as it does at many foreign places on the way. Moreover, both cables are laid in shallow water, and on that account can be easily fished up and destroyed. As a matter of fact, all the lines connecting England with South Africa either pass through foreign territory, or are practically at the mercy of foreigners.

If we examine a map showing the general telegraph system between England and South Africa, it will be noticed that the cable lands at the following mid-stations:—

By First Route.		*By Second Route.*	
1. Lisbon	Foreign.	1. Lisbon	Foreign.
2. Madeira	do.	2. Gibraltar	—
3. St. Vincent	do.	3. Canary Islands	Foreign.
4. Bathurst	—	4. St. Louis	do.
5. Sierra Leone	—	5. Bathurst	—
6. Accra	—	6. Bissao	Foreign.
7. Lagos	—	7. Conakra	do.
8. New Calabar	—	8. Sierra Leone	—
9. Bonny	—	9. Accra	—
10. Prince's Island	Foreign.	10. Porto Novo	Foreign.
11. St. Thomas Island	do.	11. St. Thomas	do.
12. St. Paul de Loando	do.	12. St. Paul de Loando	do.
13. Benguela	do.	13. Benguela	do.
14. Mossamedes	do.	14. Mossamedes	do.
Cape Town.		Cape Town.	

By the first route, there are 14 mid-stations, of which 8 are on foreign territory. By the second route, no less than 10 mid-stations are at points claimed by foreign Powers.

Third Route, viâ Egypt and the Red Sea.

1. Lisbon	Foreign.	6. Aden	—
2. Gibraltar	—	7. Zanzibar	—
3. Malta	—	8. Mosambique	Foreign.
4. Alexandria through Egypt to Suez	All stations foreign.	9. Delagoa Bay	do.
		10. Durban	—

We have been considering the British possessions in east longitude, let us now turn our attention to the surface of the globe west of Greenwich. Already many cables are laid from the shores of Great Britain to the shores of Canada. The geographical position of Canada, between the Atlantic and the Pacific, renders it possible to extend the wires to Australia, and, as has been shown, from Australia to Africa and to India. These may be considered the trunk lines of the Imperial telegraph system. From them, branch cables can be completed from Halifax *viâ* Bermuda to the West Indies, on the Atlantic side of Canada. From Port Darwin, in Australia, to British North Borneo, where a junction would be effected with cables already laid to Hong Kong, Singapore, and Madras. Again, at the Mauritius the telegraph would connect with an existing cable to the Seychelles Islands, Zanzibar, on the eastern coast of Africa, and Bombay. Thus, by the establishment of the great trunk lines of cable with the few short branches which I have pointed out, India would be approached telegraphically from both sides, and every British possession of any note in both hemispheres would be brought into daily and hourly electric touch of each other and the mother country.

The point I desire to make clear is this. The interposition of Europe and Northern Africa absolutely prevents and forbids a continuity of telegraphic communications from Great Britain to the British possessions

in the south and east without traversing shallow seas adjoining foreign territory or landing on soil belonging to foreign Powers which at any moment may be hostile, while the geographical position of the Dominion and other favourable conditions render telegraphic continuity under our own flag perfectly practicable, from London to Australia, to Africa and to India, and to all the territories of the Empire in both hemispheres.

These exceedingly interesting, and to my mind, important considerations, will recall to gentlemen in this Conference the views and aspirations of a deceased statesman, who in his lifetime filled the most responsible positions as an adviser of Her Majesty. I allude to the Right Honourable Edward Stanhope, who as Colonial Minister was called upon to take the initiative in assembling the Colonial Conference of 1887. In the Despatch which he sent to the Governors of all the Colonies, informing them that Her Majesty's Government had advised the Queen to summon a Conference, Mr. Stanhope gave great prominence to intercommunication by telegraph. He pointed out that they concerned in a special degree the interests of the Empire, and that it was desirable the question should be considered as a whole, in order that the needs of every part of the Empire might as far as practicable be provided for. No man at that period appeared to take a firmer or broader grasp of this important subject than the deceased statesman. I venture to think that the design of the Imperial cables, which I have attempted to describe in outline, is in complete harmony with the principles which he advocated, and that the establishment of those great lines of communication would go far to meet the national requirements he pointed out. In no other conceivable way, without being absolutely dependent on the friendship and sufferance of foreign Powers, can direct telegraphic connexion so easily and so usefully be established between Great Britain, as the head of the Empire, and the great possessions of Her Majesty in every quarter of the globe.

It is quite true that the distance from London to India or South Africa is greater by the new route suggested than by the existing telegraph lines. The most distant of all by the proposed new route is South Africa. The length of wire in this case would be nearly three times the length of wire by the present route. Distance, however, counts for little, where electricity is employed as the medium of communication. Take a familiar illustration—the telephone and its social uses; by means of this application of science, we can, with equal ease and at the same cost, speak to a friend across the street and to a friend leagues distant. The same with the telegraph, and our highest aim should be to have the telegraph system of the British Empire keeping pace with the extraordinary growth of the Empire itself. A wonderful power has been placed at our disposal and we should endeavour, as far as possible, to render this power as useful to the British people throughout the world as the ordinary telephone is to the inhabitants of a city, or as the ordinary application of the telegraph is in countries limited in extent.

The present Premier of Her Majesty's Home Government, Lord Rosebery, recently pointed out to those resident in England, that they inhabit not an island but an Empire, and that this Empire is a collection of states spread over every region of the earth. In Canada, and in all the Colonies, we are proud to feel that we, too, inhabit this world-wide Empire. We feel that, although separated by the ocean, we are in direct relationship with our fellow subjects in the mother country. Nevertheless, we desire to make that relationship closer and stronger by means of faster steamships and by increasing the number of ocean cables. As a humble follower of the late Imperial Minister, Mr. Stanhope, I, for one, feel called upon to express the opinion that, by every means in our power, we should endeavour to establish close and intimate relationships with all our sister provinces and Colonies in whatever part of the world they may be situated.

It must be obvious to all who consider the question with attention, that the first step we can take towards the attainment of these ends in the completion of the Pacific cable. That is the work which lies nearest us, and I humbly express my own view that Canada and Australia, with the sympathetic aid of the mother country, can, without appreciable difficulty, take this first step and render further advance possible. I have shown that, when Canada and Australia will be united by a British cable, an additional expenditure of not more than a million and a half of pounds (1,500,000*l.*) would bring South Africa and India into connection by telegraph with Canada and England, without being indebted for transit or resting place to any foreign power whatever. It is difficult to conceive that such enormously important results may be attained by an expenditure so limited, I may say so insignificant, in view of the national objects to be achieved. I trust I have made it clear that it will be entirely owing to the telegraphic connection of Australia with England by way of Canada, as proposed by the Pacific cable, that the attainment of such results will become possible.

Before turning to the more practical side of the question, allow me to quote from an address Mr. George R. Parkin delivered a few weeks ago in Edinburgh, which appears in the May number of the "Scottish Geographical Magazine":—

"A new nervous system has been given to the world. The land telegraph and submarine cable have charged the whole conditions of national life; above all, they have revolutionized the meaning of the terms 'geographical unity' and 'geographical dispersion.' Especially is this true of the British Empire. * * * The transactions of finance and commerce, the regulation of demand and supply, the direction of our commercial fleets and of the armed navy which defends them, all now depend in great measure upon the far-reaching influence of electric force. It is no flight of the imagination, but a simple fact, to say that, by the agency of the telegraph, backed by the diffusive power of the press, in a few short hours the heart of our nation through all its world-wide extent may be made to beat with one emotion, from Montreal to Melbourne, from London to Zambezi, from the Ganges to the Saskatchewan.

"Think of the single fact that more than 1,000*l.* per day is spent in telegraphic communication between the United Kingdom and Australia alone, and in that fact we have some measure of the value put by our people upon this new link of unity which has been added in the latter half of the nineteenth century.

"But this nervous system is not as complete as the geography of the Empire makes possible; one may say that it has defects which might prove fatal if not remedied in time, and at this present moment are fraught with no small dangers. The greatest gap consists in the lack of connection between Canada and Australia. Reflect upon what this means. There is perhaps no responsibility which statesmen feel more deeply than that connected with the maintenance of our position in India and the East. The financial and commercial interests which we have at stake there are simply enormous, and practically reach every home in this country. For purposes of trade as well as for defence, both military and naval, instant communication with the East has become almost a necessity.

"But it would be almost certainly broken at once in the event of our being engaged in a great European war. There are at present many routes of telegraph by which we can reach India and Australia; across the Continent by way of the Mediterranean and the Red Sea, round Africa, and even across Siberia. But all these lines either pass through possibly hostile countries, or through shallow seas where they could easily be fished up or destroyed in time of war.

"A cable across the Pacific would be free from both these fundamental objections. That this cable should be laid has become a matter of Imperial necessity.

"This new set of nerves will undoubtedly change the whole conditions under which the naval wars of the future will be carried on, quite as much as the change from wooden and wind-driven ships to those built of iron and impelled by steam."

We are assembled here to-day to deal with the important subject alluded to by Mr. Parkin, and I will only add to the words I have quoted that, if it be the ultimate design to make perfect the "nervous system" of the British Empire, it will be necessary to trace the nerves from the great "nerve centre" not eastward but westward. We must in fact follow the sun from Great Britain to Canada, from Canada to Australia, and from Australia to Africa and Asia.

Having endeavoured to show here, and elsewhere, that the Pacific cable is demanded by the needs of trade and commerce, having indicated that it will in the near future subserve Imperial purposes of the very highest importance, I beg leave to submit some observations on the means by which the undertaking may be carried out.

There are two distinct methods by which the Pacific cable may be established, viz.:

1. Through the agency of a subsidized company.
2. Directly by government as a public work.

I have given this branch of the subject long and earnest attention, and I have arrived at conclusions which to my mind are confirmed by every day's experience.

At one time I favoured the first method. It has been customary to have enterprises of this character carried out by companies and it seemed to have been assumed that there was no other way by which the work could be accomplished. However, when it is considered that in the United Kingdom, in India, in the Australian Colonies and in a great many foreign countries the telegraphs are owned and worked by governments, there appears no good reason why government ownership should be confined to land telegraph. No doubt it would give least initial trouble to governments to offer liberal subsidies in order to have the telegraph across the Pacific laid and owned by a company, but I am perfectly satisfied that in the long run, the second method will be found in every respect more advantageous. The interests of a company and the public interests are not identical: they are in some respects the very opposite. While the primary object of a company is to extract from the public as much profit as possible, the interests of the public, on the other hand, are to secure cheap telegraphy and to have it as free and untrammelled as possible. Suppose, for example, that a large subsidy be granted, such a subsidy as Sir John Pender has declared to be necessary, and that the whole undertaking passed over to the Eastern Extension Company to carry out, would not the effect be to confirm and perpetuate the telegraphic monopoly which at present exists between Australia and the outer world? Would it not simply shut out all prospect of obtaining the reduced charges to which we may confidently look forward; would it not contract intercourse, instead of providing the fullest opportunity for its free and full expansion, so much to be desired? I look forward to the time, and I do not think it is far distant, when, if a wise and prudent course be followed, the telegraph will ramify in many directions under the ocean to all the principal colonial possessions, and that, in the not distant future, there will be a greater reduction in charges on messages than has taken place in letter postage during the past fifty years.

Speaking for myself, I have arrived at the conclusion that the true principle to follow, looking solely at the public interests, present and prospective, is to establish the Pacific cable as a government work. In my judgment, it would be a grave and irremedial mistake to give it to the existing company on their own terms or perhaps on any terms. Even to hand the work over to a new company entirely distinct from the Eastern Extension Company would scarcely mend matters. It would be impossible to prevent the two companies combining, in some form, to advance their common advantage, to the detriment of the public interests.

I have elsewhere endeavoured to show the advantages derivable from the establishment of the Pacific cable as a public work directly under government control. It is a matter of constant experience, that the promoters of companies, as a rule, set out with the determination to make large sums of money, that investors are promised large returns, and they are not satisfied unless they are forthcoming. In consequence, 9 per cent. and in some cases much more than 9 per cent., is paid for money raised for private companies, while, on the other hand, governments can borrow capital at 3 per cent. Hence it is possible, under government ownership, to reduce charges on telegraphy much below the rates charged by private companies.

With the proposed cable under Government control, it is not easy to assign a limit to the reduction in charges for transmitting messages; and with low charges there will arise, without any appreciable extra cost in working, a great expansion in the business of the telegraph. Thus the public will be benefitted to an extent which would not be possible if the cable became the property, or passed under the control, of a private company.

I had hoped to have seen present at this Conference His Excellency Sir Ambrose Shea, Governor of the Bahamas. He would, I am sure, have given the best testimony in favour of the plan of Government ownership. Less than two months ago, I had a letter from him, in which he furnished indisputable evidence as to the superiority of the principle of Government control. The Bahamas are connected with the mainland by a cable owned by Government. The first idea was to have it carried out by a company under a subsidy of 3,000*l.* a year for 25 years. Fortunately, it was decided to make it a Government work; the cable is entirely so established, and the policy of its operation is dictated primarily by the commercial requirements of the Colonies. Profits are of course desired, but these are held to be a subordinate consideration. This policy would have been reversed had the cable been controlled by a company, the interests of the company *per se* would have remained paramount. Sir Ambrose Shea informs me that even in a financial aspect it has proved fortunate that they kept the cable under Government control. Instead of paying 3,000*l.* a year in the form of a subsidy, the charge on the Colony is already reduced to 1,800*l.* after fully providing for a sinking fund to cover renewals, as well as interest on the cost and all other charges. Beyond the question of money, the Governor attaches much importance to the power held by the Executive, for adapting the policy of the cable management to the growing and varying wants and conditions of the Colony.

It appears to me that, in bringing two of the leading divisions of the Colonial Empire into telegraphic connexion, we cannot do better than place before us the experiment to which I have referred as having been so successfully tried. Great importance must be attached to the views and ripe judgment of Sir Ambrose Shea, strengthened, in a matter of this kind, by the experience of the Bahama cables. Every commercial object points to the expediency of retaining the Canada-Australian cable under Government ownership; and, apart altogether from commercial considerations, there is no reason to warrant that so important a work, undertaken for national purposes, should be removed from the effective control of the Governments by whose authority alone the great principles of its establishment would be fully observed.

If then it be deemed expedient to carry out the project of a Pacific cable as a public work under federated Government ownership, it becomes necessary to consider the means by which this end may be satisfactorily accomplished. Without taking into account the Crown Colony of Fiji, whose affairs are directed from the Colonial Office, London, the following nine represesentative Governments are interested in the undertaking:—

1. The Imperial Government.
2. The Government of Canada.
3. The Government of New South Wales.
4. The Government of Victoria.
5. The Government of Queensland.
6. The Government of South Australia.
7. The Government of Tasmania.
8. The Government of Western Australia.
9. The Government of New Zealand.

If the six Australian Colonies were federated, a partnership arrangement would be much simplified, but, as at present the period is not determined when this union will be effected it becomes expedient to find some means by which the object may be attained without unnecessary delay. It is scarcely to be expected that the several Governments will be of one mind as to the best practical means of carrying out the work, especially as the Colonies do not all occupy the same position with respect to it; and moreover as they will not be equally affected by its operation. The position of South Australia is different from all the others. In 1870, the Colony of South Australia, with very great enterprise, undertook single-handed to span the continent from south to north with a telegraph wire to meet the cable of the Eastern Extension Company at Port Darwin. The length of this land line is about 2,000 miles. In two years it was completed, and in October 1872, telegraphic communication was opened between Adelaide, the capital, and London. From Adelaide, telegraphs extend to the other Colonies, so that each one of them has benefited by the efforts and expenditure of South Australia. This overland telegraph from Adelaide to Port Darwin cost for construction, including permanent iron poles, up to 31st December last year, 506,500*l*. Moreover, it has been maintained and worked at the cost of South Australia, and the returns show generally a loss after charging revenue with interest. In 1893 the revenue was 39,700*l*., the working expense 19,899*l*., and the interest on bonds 24,703*l*., the working expense and interest together amounting to 44,602*l*., or 4,902*l*. more than revenue, the whole loss from the opening of the line for business in 1872, including interest on cost of construction, amounting to 293,282*l*.

It is obvious that the inevitable result of a new telegraph across the Pacific would be for a time to reduce the business over the old line and increase the loss to South Australia. The enterprise of this Colony has already been recognised to some extent by the other colonies, and for some years back the deficit arising from reduced charges has been shared by them. In any new arrangement, it is obviously expedient that the position of South Australia should be considered in a fair and generous spirit. I have always held this view both with respect to South Australia and the Eastern Extension Company, although it must be admitted the facts establish the company to be in a very much better position than the Colony. There is no desire that the company's lucrative returns should be diminished, that is merely an incidental consequence which may result from the national undertaking we are considering, and it should be met in the fairest way which can be devised. At the Colonial Conference of 1887, I submitted a scheme by which I considered, and still consider, that full justice would be done both company and Colony. This suggestion was of a comprehensive character; it embraced (1) the establishment of the Pacific cable, (2) the purchase of all the cables of the Eastern Extension Company, (3) the transfer of all the telegraphs of the separate Australian Colonies, together with the Pacific cable and Eastern Extension cables to a trust or commission created by the co-operating Governments, under which the whole would be managed. The leading principles by which the arrangement might be effected were set forth as follows:—

1. It would be necessary for each of the Colonies to agree to hand over to the central authority their respective telegraph systems, retaining a pecuniary interest in revenue in proportion to the value of the works handed over.
2. The establishment of the new cable across the Pacific would require new capital, to be raised possibly on the joint guarantee of the Colonies and the Imperial Government, as in the case of the Intercolonial Railway of Canada. By such means, the money could be obtained at the very lowest rate of interest.
3. New capital would likewise be required to purchase the cables of the Eastern Extension Company, if that company would be willing to sell at a fair value. This capital would also be obtained at a low rate of interest, and thus the whole connexion between Asia, Australia, Canada, and Great Britain could be most economically established. It would thus become practicable to reduce charges on messages to the lowest possible tariff rates, by which the public would greatly benefit without detriment to any private interest.

The proposal was designed to harmonize all interests, to bring all cables and telegraphs within the management of one department under government control, to relieve South Australia from loss by putting this Colony on the same footing as all the other Colonies, and, by taking over the present cables at a fair value, to remove all reasonable objections on the part of the Eastern Extension Company. Further details of this scheme will be found appended to the report of the Minister of Trade and Commerce on his mission to Australia (pages 92 to 101).

A less comprehensive scheme may be found expedient, if the Eastern Extension Company had no desire to part with their property on fair terms. Whatever scheme be considered, the principle I mainly advocate is, that the Pacific cable be established as a public work and retained under government control. It seems to me that this principle could be best carried out, under the circumstances of this particular case, by the appointment of commissioners to act as trustees for the co-operating governments under statutes to be passed, for whatever arrangement may be arrived at it will require ratification by the respective Parliaments and Legislatures. The commissioners would act in trust, and, generally speaking, their duties would resemble those of directors of a joint stock company; by virtue of their office they would do everything necessary to establish and carry out the work, and for this purpose, under provision of statute, would be authorised to raise the necessary capital on interest-bearing securities.

It may be anticipated that the whole of the nine governments may not see their way to co-operate in the manner proposed, and that some of them would prefer granting a fixed subsidy as they would to a company. There could be no objection to this course as it would in no way invalidate the general scheme, provided a

sufficient number of governments determined to carry it out. Any subsidy received would be applied by the commissioners to the purposes of the undertaking precisely as subsidies are appropriated by directors of companies in like cases.

There remains another plan by which the Pacific cable might be established under government control. The undertaking may be divided into two sections, the northern and the southern. The cable on the northern section may be laid directly by the Government of Canada, through the medium of the Department of Public Works, while the southern section may be similarly undertaken by one or more of the Australasian Governments. In both cases the governments assuming the duty of carrying out the undertaking would receive from other governments such assistance in the form of subsidies or guarantees as may be agreed upon.

I suggest for your consideration these alternative plans. All will concede that it is desirable to proceed step by step; if it be first determined that the Pacific cable should be established as a government work, and retained under government control, the next step will be to consider the best means of accomplishing that end.

I will only add that, while it is plain much has to be discussed before any plan can be adopted, I am unable to see that any serious difficulty will arise in the arrangement of details. At this stage, I will not presume further to take up the time of the Conference.

Mr. Lee Smith.—I have listened with great attention to the able and masterly statement of Mr. Sandford Fleming in regard to this cable, and, as we might have expected, he has given us a clear and distinct account of what has been done and what he proposes to do in the future. Now, with regard to the amendment which I have put on the table, I very much regret that Mr. Suttor did not accept the suggestion I made, the other day, to alter the terms of his motion, from "Australasia" to "Australia and New Zealand." It would, in that case, have saved me taking up the time of the Conference and also have prevented the idea being formed that this was a frivolous amendment. I desire to say that it is not frivolous, and there is no jealousy whatever in my having proposed that the words "Australia and New Zealand," should be substituted for "Australasia." Of course, all people who have travelled much, know that Australasia and Australia are very distinct, but there are many people who do not travel and people who do not read and do not study the outlying portions of the British Empire, to whom the words "Australasia and Australia" are one and the same thing. I was in a shop in Ottawa on Saturday, and there an intelligent person, who appeared to be in charge of the shop, got talking with me about one thing and another, and he asked me the name of the capital of New Zealand and I told him Wellington, and he then asked me whether there was any railway communication between Wellington and Melbourne, and another gentleman thought that Bundaberg was in New Zealand. I must take some steps here to preserve, if possible, the distinct individuality of the name "New Zealand." Of course, my Colony is prepared, with regard to all these questions of mail service and cable service, to do exactly what the other Colonies are expected to do, and that is to assist in carrying out the objects that we had in view. My Colony is prepared on certain conditions to deal liberally with this cable and also the mail service. As I stated before, I have no jealousy in the matter. It is a small matter, and I hope the Conference will accept it. There is the question of confederation. When that question comes up, I firmly believe that New Zealand will not be included. I am now speaking my own personal opinion and I am in no way committing the New Zealand Government. I do not think New Zealand will join the confederation for some time to come. I do not think it is possible, and therefore I should like to have New Zealand kept apart from Australia in this matter. I hope the members of the Conference will agree to this small request, it is nothing to them, but it is a good deal to me. I conclude by moving the amendment that "Australasia" be struck out and that "Australia and New Zealand" be inserted instead.

The Vice-President (Sir Adolphe Caron) placed the amendment before the Conference.

Hon. Mr. Playford.—If I second the amendment, I will second it only for the purpose of discussion and leave myself at perfect liberty to vote as I like afterwards. The point I take in connexion with the adding of the word "New Zealand" is this: It is entirely a question as to the route to be finally decided upon whether this cable should go to New Zealand or not. If hon. gentlemen will look at they map, they will see that New Zealand is not in the direct line of communication between Vancouver and Australia. To get to New Zealand you have to make a detour around the two sides of a triangle, and, as New Zealand at the present moment is connected with the mainland of Australia by two cables, although only one is shown on the map, the position is, that if we insert New Zealand, we then practically in the motion fix our route to a considerable extent.

Mr. Lee Smith.—Certainly not.

Hon. Mr. Playford.—The question is, shall we fix our route in this motion? Mr. Fleming has not in any way indicated what route he would have, and a glance at the

map will show that by the insertion in this general resolution of the words "New Zealand and Australia" we would be practically fixing the route for our cable,

Hon. Mr. FITZGERALD.—That will be more costly, of course ?

Hon. Mr. PLAYFORD.—A very costly route. It may be necessary to go to Fanning Island. If so, a certain amount of objection with regard to New Zealand would disappear. If we go to Honolulu, then we increase the length of line considerably if we call at New Zealand. If we have to go to Necker Island, then to New Zealand, the distance is still further increased. New Zealand at the present time has got a double cable. I think that, at this stage of the proceedings, until we have absolutely fixed the route, we should be prepared to recommend or use the word "Australasia," and leave ourselves absolutely free in the matter.

Mr. LEE SMITH.—It is merely to differentiate the terms "New Zealand" and "Australia," and not to mix them up. I do not want to mix New Zealand up with Australasia. This has nothing to do with the route; it is only in reference to the term.

Sir HENRY WRIXON.—I should think on that specific statement of Mr. Lee Smith, that it was merely a matter of names, it would be better to accept his amendment. We know Mr. Lee Smith tells us exactly what he thinks, and that he has no other object behind what he says. If Mr. Lee Smith meant by this amendment that the cable be carried first to New Zealand and then to Australia, of course we would not agree to it for a moment. If he would say that it was a necessary part of the scheme that there should be a branch line for New Zealand, it would be different; but he does not enter into that at all, and it is only a matter of a name, and I do not see why we should not accept it.

Lord JERSEY.—Might I suggest for a moment the terms "the Australasian Colonies and the Colony of New Zealand." Australasian Colonies include Tasmania, while Australia does not include Tasmania.

Hon. Mr. SUTTOR.—We used the word Australasia because it did include Tasmania and New Zealand.

Mr. LEE SMITH.—I shall be quite prepared to accept his Lordship's suggestion.

Hon. Mr. FITZGERALD.—Telegraphic communication by cable is already established between Australia and New Zealand. Now, if this amendment be carried, it would mean that fresh communication should be opened between New Zealand and Australia. I know Mr. Lee Smith's intention, but I do object that a question raised by Mr. Smith, namely, the enlightening of uninformed people as to the exact position of the geography of New Zealand, and the continent of Australia, that we should put this in, in order to give New Zealand a definite place, as it were, in the minds of those who want a cable to Australia.

Mr. LEE SMITH.—But if New Zealand is not going to be included in Mr. Suttor's motion, in the proposal to make a cable distinct apart from the Extension Company, I shall propose another amendment. I am not coming here to represent my government and be prepared to subsidize a cable and find that my Colony is not going to have the right of being included in the proposal to have a separate cable. I shall still be perfectly dependent on the Eastern Extension Company. If there is a proposal to connect Australasia with Canada, and I find there is no provision of any kind to connect my Colony with Australia in any other manner than the one which exists, this simply means the demoralization of the arrangements to be made between the various Colonies. Mr. Fitzgerald puts it in such a way that it necessarily involves New Zealand.

Hon. Mr. FITZGERALD.—I do not offer the slightest opinion in contravention of Mr. Smith's idea, but I also think that this Conference would be bound by the terms of this motion to include New Zealand.

Mr. LEE SMITH.—I would accept Mr. Fitzgerald's suggestion, with the understanding that I will have an opportunity of submitting another amendment.

Hon. Mr. SUTTOR.—At a subsequent stage, not during this debate.

Mr. LEE SMITH.—Yes.

Hon. Mr. SUTTOR.—You withdraw the amendment ?

Mr. LEE SMITH.—No, I do not withdraw it; I understand the Conference is ready to accept it, provided it merely refers to the designation to be given to it.

Hon. Mr. SUTTOR.—I do not think it meets the view of my friend, Mr. Fitzgerald, and it seems to me we should place ourselves in a position of great difficulty if we adopted the amendment proposed by Mr. Lee Smith. I desire to make this resolution as bald as possible, simply to let this Conference affirm, at this stage, that there should be telegraphic communication between Canada and Australasia. It seems to me, if we adopt the amendment proposed by Mr. Smith, who represents New Zealand, that we shall at this early stage clearly define the route.

Mr. LEE SMITH.—I do not want that, sir.

Hon. Mr. SUTTOR.—If Mr. Smith does not desire that, why is he not satisfied, at this stage, to allow the resolution to stand as it is at present—simply affirming the expediency of connecting these two points, the Dominion, the one terminal point, and Australasia on the other? Now, if we are going to consider these different routes, why does not Mr. Thynne get up and move an amendment to the effect that in all probability the terminal point of the cable should be at Queensland, and that Queensland should be definitely mentioned.

Mr. LEE SMITH.—No, I should explain that.

Hon. Mr. SUTTOR.—I trust that Mr. Smith will not, at this stage, hamper the resolution by requiring us in any way to define the route to be taken from here to Australasia.

Mr. LEE SMITH.—It does not define the route.

Hon. Mr. SUTTOR.—I do insist that by saying New Zealand as well as Australasia you practically determine that it shall go by New Zealand.

Mr. LEE SMITH.—You do not do that.

Hon. Mr. SUTTOR.—Then what is the object? It seems to me that if we adopt this amendment at some subsequent stage it may be brought up as an argument that we have already pleged ourselves to a resolution to connect New Zealand between Australasia and Canada.

Hon. Mr. FITZGERALD.—By a fresh cable.

Hon. Mr. SUTTOR.—By a fresh cable, and they already have a cable. It may be that if this cable be laid between Canada and Australia we may be able to purchase the present cable.

Mr. LEE SMITH.—I am looking forward to that.

Hon. Mr. SUTTOR.—Then why not allow the amendment to stand? It is a matter which might fairly be open for discussion. I trust, at this stage, he will see it is not desirable to insert the words he wishes, but let the resolution stand as a bald one, and not define in any way the Colonies to be included. Mr. Fitzgerald represents Tasmania, which is not on the main land of Australia. He might just as well demand that we should insert Tasmania as that you should ask to insert New Zealand. I think the less discussion we have on these minor points the better.

Hon. Mr. FRASER.—It will never do for this Conference to pass the amendment, because the effect Mr. Fitzgerald suggests will be the result, namely, that to make full completion of the motion, it will be necessary that New Zealand be attached to Australia by a fresh cable. The word "Australasia" embraces New Zealand.

Mr. LEE SMITH.—No, it does not in the eyes of the public.

Hon. Mr. FITZGERALD.—It does embrace it.

Hon. Mr. FRASER.—Oh, yes, it does; we know in Australia that it does. Every man who reads anything about Australia and geography must know that it is so. I sympathise very much indeed with Mr. Smith, and I know that what he states is quite correct; there are many persons in Australia who ought to be better informed who do not know. But public men know differently, and as Australasia will embrace his Colony, I hope, at this stage of the proceeding, he will not complicate matters by insisting upon this amendment.

Mr. LEE SMITH.—The very arguments that Mr. Fraser and Mr. Suttor now make prove my point. It was only on Saturday that Mr. Suttor said, without any qualification whatever, that Australasia embraced New Zealand, and therefore if you are committed to take a line to Australasia, you are bound to take the line to New Zealand in some form or other. But there is, it appears, some doubt whether "Australasia" does include New Zealand. If so, and I allow this to pass, you can go to Australia and not include New Zealand, except secretly; you will not allow it to be mentioned

except privately. I am depending then upon the goodwill of you gentlemen. The point is mainly for the purpose of differentiating it from Australasia, because people do not understand what Australasia means.

Hon. Mr. Forrest.—I merely rise to cast oil upon the troubled waters. I concur with every word which has fallen from Mr. Fitzgerald. At the same time, I sympathise with Mr. Lee Smith, but I do not think his way of obtaining what he requires is a proper one. I think we should carry the motion in its present form; and then we could follow it with another to the effect that it is advisable to continue the line to New Zealand, and that will bring out the fact as to New Zealand, and Mr. Smith will get all he wants.

Sir Henry de Villiers.—I would like to ask one or two questions of Mr. Sandford Fleming at this stage. I find there was a resolution passed at the Conference of 1887 in these words:—

That the connection of Canada with Australasia by direct submarine telegraph across the Pacific is a project of high importance to the Empire, and every doubt as to its practicability should without delay be set at rest by a thorough and exhaustive survey.

One question is, whether, since the passing of this resolution, there has been an exhaustive survey; and the other question is, whether there are any data in existence as to soundings taken between Australia and the Cape of Good Hope so as to enable us to come to a definite decision in regard to a cable from the Cape of Good Hope to Australia?

Mr. Sandford Fleming.—The survey was commenced in 1888, and it extended over that year and lasted until the spring of 1890, but it was not completed. A number of soundings were made between Sydney and the Fiji Islands. The soundings were abandoned for some reason or other that I am not aware of. The whole history of the survey will be found in the Blue Book before you. You will find an account of the survey given on page 106 of Mr. Bowell's report on the mission to Australia lying on the table. In regard to the soundings in the Indian Ocean, I may say we have here a chart of the Indian Ocean showing all the soundings which have been made.

Hon. Mr. Playford.—When I address the Conference on this matter, I shall be prepared to show to what extent these soundings have gone and their depths. I have the latest map issued by the Government on the subject, and I studied it very carefully, and I shall be able to give you the figures for the soundings made from Vancouver to Australia.

Hon. Mr. Thynne.—As to the insertion of the words "New Zealand" in the present resolution, as proposed by Mr. Smith, it would create a much greater misapprehension in Australia than the present resolution would in Canada. If this amendment were carried, it would be more misleading to the people of Australia than the present resolution is to the people of Canada. Our governments would at once think we had passed a resolution binding ourselves to the construction of a cable under sole British control; that would mean either buying up the cable between Australia and New Zealand or constructing a separate cable. We have not considered these questions yet, and it is time enough to consider them when they arise, and I, for one, would object. As has been suggested to me by Mr. Suttor, he has adopted in his resolution the very words which were adopted in the Conference of 1887.

Hon. Mr. Foster.—I want to ask Mr. Suttor what he means by the words "under sole British control?" Reading it over once, it would seem that that would mean the Imperial control. Is that the idea?

Hon. Mr. Suttor.—I mean by this resolution to carry out the suggestion very frequently made by Mr. Sandford Fleming and other gentlemen advocating the route, that if possible the line should be constructed entirely through British territory.

Hon. Mr. Foster.—Do you not think that phrase is too strong altogether to carry that out? "Under British control" would mean that the Government of Great Britain would have complete control over it. "On British territory" would mean a very different thing.

Hon. Mr. Fitzgerald.—You could say "Not touching foreign territory."

Hon. Mr. Foster.—That would define it, but I think that term is a little too strong. Then, with reference to Mr. Smith's amendment, I was disposed at once to sympathise with him, and I do sympathise with him with reference to his desire to have New Zealand differentiated; but I think there is no very great difficulty about the matter. If this cable is to be built, the question of cost is the prime consideration, and I would

object to having any words put in which, although under protest at the time being, were not for a certain purpose, yet which afterwards might probably be appealed to as certainly meaning that. This is to be built either by contributions or in the way of subsidies, or by the government, and it would make a very great difference whether 1,000 knots were added to the distance or not. Now, Australasia does include New Zealand, according to my reading of it, and it is perfectly certain that if Australasia includes New Zealand, and if you differentiate New Zealand from Australasia, we are bound, when we come to the question of routes, to take that route which will make an independent cable to New Zealand—and that is just what I do not want to see included in the proposition. New Zealand is included in Australasia, just as Tasmania and South Australia are; and then when we come to the question of routes we will be at liberty to say whether it will point in one direction or another, and I think Mr. Smith's position will be kept just as clear without the insertion of these words, because, when we come to the question of routes, Mr. Smith's position will be well defined; but if it is put in, I think it puts us all in the position of loading up the proposition before we come to ways and means; and that might make it burdensome.

Mr. Lee Smith.—I think it would simplify matters if I stated the conclusion I had arrived at, after having heard Lord Jersey's advice in the matter; it is simply this, that, for the present, I accept the term "Australasia," reserving to myself the right to bring up the question hereafter that communication with New Zealand shall be had in some form or another; and I might say there appears to be some doubt as to whether the term Australasia does include New Zealand or not. The Act speaks of Australasia and the Colony of New Zealand.

Sir Adolphe Caron.—I understand Mr. Lee Smith withdraws his amendment?

Mr. Lee Smith.—Yes, with that reservation.

Hon. Mr. Foster.—Would the honourable gentleman think it worth while to take out "under sole British control" and make it "without touching foreign territory."

Hon. Mr. Suttor.—Yes.

Hon. Mr. Playford moved the adjournment of the debate.

A REPRESENTATIVE FROM HAWAII.

A letter from Mr. Theo. H. Davies, of Honolulu, was read to the Conference, asking if his presence was desired during the discussion of cable and steamship matters.

Hon. Mr. Foster.—I move "that Mr. Davies be requested to attend this Conference to morrow and address it on the subject of the cable and steam communication." The motion was carried.

THE PACIFIC CABLE.

Hon. Mr. Thynne.—I beg to give the following notice:—

"That, in the opinion of this Conference, it is desirable that the construction and maintenance of the proposed cable from Vancouver to Australasia should be undertaken by the Governments of Great Britain, of the Dominion of Canada, and of the Australasian Colonies as a joint national and public work.

"2. That the cost of construction and maintenance of the cable should be borne in the following proportions, namely, Great Britain one-third, Dominion of Canada one-third, and the Australasian Colonies one-third."

The Conference adjourned at 12.45 p.m.

Office of the Minister of Trade and Commerce, Ottawa,
Tuesday, July 3, 1894.

The Conference resumed at 10.30 a.m.

The President, Hon. Mackenzie Bowell, P.C., in the Chair.

Delegates Present:

The Imperial Government—The Right Honourable the Earl of Jersey, P.C., G.C.M.G.
Canada—Hon. Mackenzie Bowell.
Sir Adolphe Caron, P.C., K.C.M.G.
Hon. George E. Foster, P.C., LL.D.
Sandford Fleming, Esq., C.M.G.
New South Wales—Hon. F. B. Suttor, M.L.A.
Tasmania—Hon. Nicholas Fitzgerald.
Cape of Good Hope—Hon. Sir Henry de Villiers, K.C.M.G.
Sir Charles Mills, K.C.M.G., C.B.
South Australia—Hon. Thomas Playford.
New Zealand—Mr. A. Lee Smith.
Victoria—Sir Henry Wrixon, K.C.M.G.
Hon. Nicholas Fitzgerald, M.L.C.
Hon. Simon Frazer, M.L.C.
Queensland.—Hon. A. J. Thynne, M.L.C.
Hon. William Forrest, M.L.C.

THE PACIFIC CABLE.

Hon. Mr. Playford resumed the debate on Mr. Suttor's motion

"That, in the opinion of this conference, immediate steps should be taken to provide telegraphic communi-
" cations by cable, under sole British control, between the Dominion of Canada and Australasia,"

as follows:—

Mr. Chairman and Gentlemen,—As I am from the Colony of South Australia, I wish now to inform this Conference of the position that my Colony takes with regard to the proposed Pacific cable. You are aware that we occupy a somewhat unique position, one different from that of the other Colonies. We have constructed a line of telegraph across the continent some two thousand miles long. We have done it at our own expense without any assistance, without any subsidy, and if a new cable is constructed across the Pacific Ocean the trade that that new cable will do will to a very considerable extent take away the trade from our present land line and cause us to suffer very great loss. At the same time, my Government wishes me to inform this Conference that if this cable is required for Imperial and for public purposes, for the good of the Empire, South Australia is not going to stand in the way, and will support the cable. All we ask is this:—That if this cable is to be so subsidized by the various governments our peculiar position shall be taken into account, and anything that we may lose by the construction of this new line of cable may be minimized as much as possible. That is the position we take with regard to this matter. Now, I will go into a few facts and figures that were partly gone into yesterday by Mr. Fleming with regard to the work South Australia has done in connection with her present line of communication by land and cable with the mother country, with Europe and the rest of the world. In 1870, the Eastern Extension Company agreed to bring a line of cable from Singapore through Java and from a place in Java called Banyuwangi, a straight line of cable from there, to Port Darwin on our northern coast. At that time, we were in a position different from all the rest of the Colonies. If you will look at the map you will see that South Australia stretches right across the continent, from one coast on the north side to the other coast on the south side. She was the only Colony that had direct communication right across that continent through her own individual territory and, therefore, from the peculiar geographical position which she occupied with regard to her territory, she was the Colony upon which was thrust the necessity for this action. She was in the best position to act, and in 1870 we agreed, although our Colony numbered very few more than 200,000 souls, to the construction of a line of telegraph across the continent which at that time had only been traversed by one man in the direction that this telegraph line lay. That man was McDougall Stewart. It was known before that there were very great difficulties in the way of constructing the

line, in many cases from the want of necessary and proper timber and, in addition to that, there were large stretches of country upon which no water could be found. It was a very serious undertaking for a small colony and we undertook it and in 1872 we accomplished our purpose. We had a line constructed across the continent and the Eastern Extension Company had their cable landed at Port Darwin: and in October of that year communication was opened up from Australia with the rest of the world by means of the cable.

Hon. Mr. Foster.—What is the length of the land line?

Hon. Mr. Playford.—Nineteen hundred and seventy-five miles. We generally call it in round numbers two thousand miles. Now, we received no subsidy for this and did it wholly without assistance, and in making our charges we made them as low as we possibly could. In fact, we made them too low, so far as our own interests were concerned, because we anticipated considerably more trade than ever we got. The cost of the line was 506,500*l*. At the end of 1893, it had been working twenty-one years, and the net loss to the Colony through the working of that line for twenty-one years is the large sum of 293,282*l*. to the end of 1892–3, an enormous loss to a small community of about 340,000 souls. Now, that loss has been the other Colonies' gain. We have charged so low a rate upon our telegraph line that we have sustained this loss in consequence, and the neighbouring Colonies and our own people who were receiving telegrams from the outside world have participated in the benefit of having their telegrams or cablegrams taken at a lower rate than they really ought to have been, so far as South Australia is concerned.

Hon. Mr. Foster.—Did you count in the cost, the interest on investment, the maintenance and all that?

Hon. Mr. Playford.—Yes, it is all fairly taken into account. I do not wish to go into the figures year by year. I have the whole thing here set forth in a parliamentary paper, and it is all worked out, showing the interest that we have to pay on the money that we borrowed in London for the construction of the line.

Hon. Mr. Fitzgerald.—What rate did you borrow at?

Hon. Mr. Playford.—Four per cent., I think. I am not sure, some may have been borrowed at five per cent. In 1870, we were not borrowing money at very cheap rates. However, we simply put down the interest we have got to pay and the working expenses on the one side, and the total receipts on the other side, and struck a balance, whatever it would be. Unfortunately it has been a debit, with the exception of two years. With that exception it has been on the wrong side, and the total I have given you is the net loss that we have sustained in consequence of working the line for these 21 years. We never adopted the principle that was adopted by India. For instance, for many years—up to within a few years ago—the Indian Government charged all cable messages that came to Australia from Bombay and Madras at rates double those they charged their own people for a similar message across the same distance. The Conference of 1887 called particular attention to this and they considerably reduced their rate; but for years they made a really good profit out of it, whereas South Australia made her charges so low that they did not pay expenses in connexion with their land line and acted in a totally different spirit from the Indian Government, which insisted upon charging a very much higher rate, nearly double, for messages that went to Australia across their land line than they were charging their own people for similar messages across a similar distance. Now, in May 1891, the rates between Australia and London were reduced, This was in consequence of the agitation that was got up in the Colonies owing to the highness of the rate, full expression to which was given at the Imperial Conference of 1887, in London. Sir John Pender was examined on the subject, and he then suggested a way by which the Cable Company would be prepared to reduce the rates. For some considerable time negotiations went on, and in 1891, the full alteration was made in the rates. The ordinary rates then were 9*s*. 4*d*. a word from London, and they were then reduced to 4*s*. a word. Government messages were at that time 7*s*. 1*d*. and they were reduced to 3*s*. 6*d*. Press messages were at that time 2*s*. 8*d*. and they were then reduced to 1*s*. 10*d*. a word. This was all done on the Colonies guaranteeing to the Eastern Extension Company one-half of the loss that they might sustain in consequence of the reduction of the rates, which was really more than one-half. They took one particular year and said: "These are our receipts at the present time" one hundred and ninety odd thousand pounds or something like that—"when "we reduce the rates, if our receipts go below 191,000*l*., whatever they go below we "will sustain one-half the loss and you will make up the other half. If you think the

" business is going to increase considerably, in consequence of the reduced rates, so " much the better for you. We sustain one-half the loss, you sustain the other half." An arrangement also had to be made with South Australia on our land line. At that time our transit rate across the continent was 1*s.* 1*d.* a word, and that was reduced to 5*d.* The other Colonies, recognising what we had done to procure telegraphic communication with Europe and the rest of the world, knowing the loss that we sustained in consequence of our not having charged sufficient to cover our working expenses and interest on the money we borrowed, very kindly came forward and generously asked " What do you estimate your loss at on the reduction ?" Sir Charles Todd, the Telegraphic Superintendent and Postmaster General of our Colony, who is a civil servant and not a Minister of the Crown, said he estimated it at from 10,000*l.* to 12,000*l.* a year. The Colonies then entered into a compact with South Australia, saying: " You " reduce the rate to 5*d.* and we will do this for you :—We will, *pro rata* according to " our population, make up the loss. You *pro rata* sustaining your loss." The result has been, since then, they have carried out that agreement and I have no doubt, will continue to carry it out, because they saw that South Australia had lost so considerably in the past that they thought it was only fair to release her from any prospective loss, which they did in this generous way. Now in 1891–2—I am now confining my observations to making up the loss to South Australia—the loss was 10,414*l.* on the South Australia land line alone in consequence of these reductions, of which the Colonies paid South Australia the sum of 9,218*s.* 12*s.* 8*d.*, the balance being her proportion to her population of the loss. Now in 1892-3 the loss was reduced from 10,000*l.* to 7,675*l.*, of which the Colonies paid South Australia 6,816*l.* In 1892, altogether, the Colonies paid the Eastern Extension Company on their guarantee of their half of the loss, owing to the reduced rates, the sum of 27,520*l.* In the second year, 1892-3, it was reduced from 27,540*l.* to 21,778*l.* Now, we have to consider how these reductions were brought about, because they were not brought about, as you might imagine, by an increase of traffic, but wholly by another state of things. The Colonies felt that they were paying a considerable sum in consequence of this reduction of the rate, and they said to the Eastern Extension Company : " You may increase the rates a little and thus let us reduce our loss "—that is, the loss that they had to make good to the Eastern Extension Company and South Australia. They increased our word rates. They did not interfere with the government rates or press rates, but increased their ordinary rates from 4*s.* to 4*s.* 9*d.* a word. South Australia's transit rates had been reduced from 1*s.* 1*d.* to 5*d.* and we increased it to 7*d.* That accounts for the fact that in the second year that I alluded to there was considerable reduction in the amount of loss, because there was no increase in the transit rates. Then, what made the loss still less in these years was that, in 1893, (honourable gentlemen of this Conference will recollect) the Colonies passed through a financial crisis, and that crisis added very considerably to the business of the company, because of the increase of messages that passed between England and Australia. Some of the Agents telegraphed, in many cases, the whole of the text of the terms that had been entered into when reconstructing the banks. They telegraphed every word and paid hundreds of pounds frequently for one telegram. That won't occur again, I hope; so, we cannot expect for years to get anything like the heavy amount for cable rates that we did in 1893. Now, I think the Colony which I represent should certainly receive some consideration, if this Pacific line of cable is to be constructed, with government subsidies, owing to the position that South Australia has occupied.

I am sorry that Western Australia is not represented here, because she has a very considerable interest in this matter. We have some interest in connexion with Western Australia, because directly we made the communication across the continent we felt it only fair that Western Australia should be connected with us, and we made a land line, at a cost of 70,000*l.*, which never paid interest on the money. We made the land line ; to connect Perth with the principal cities of the Colonies, not merely to connect Western Australia with Great Britain and rest of the world, but also with the neighbouring Colonies. She met us, and she did more ; she constructed a line of telegraph right along her north coast to Roebuck Bay ; and the Eastern Extension Company, alive to the importance of keeping communication open as much as possible, constructed a special cable between Java and Roebuck Bay, so that, if any interruption takes place on any of the lines to Port Darwin, we have a third line through Western Australia ; and therefore, I am sorry she is not represented. She spent a very large sum of money in the construction of this land line, for the purpose of getting another means of communication in case the communications by the routes through South Australia broke down in any way ; she spent a considerable sum of money, and they get a subsidy from

South Australia, I think, of about 1,000*l.* a year. Our line takes the whole of the messages; it is an easier line to work, running through the Continent from north to south, whereas the other line runs along the coast, and is more liable to be interrupted by thunderstorms and atmospheric causes; messages have to be repeated at shorter distances than on our land line; but Western Australia deserves great consideration on account of the work she has done in making a land line by which the Colonies are, by means of the cable to Roebuck Bay, laid by the Eastern Extension Company, secured against nearly all possible chance of being cut off from the rest of the world. If you are going to lay a cable across the Pacific, there will be a competing line with the lines already in existence. South Australia and Western Australia, at all events, have not gone into this matter in a commercial spirit at all, but simply for the purpose of helping themselves, and helping their neighbours, to be brought into connection with the mother country, desiring to make no profit out of it, as an ordinary company would; therefore, consideration should be given to their claims. Supposing this new line is made by government subsidies, Western Australia has considerable claim to consideration in the matter. Now, I think I have put very clearly before the Conference the position of the Colony of South Australia, and I have given, as briefly as I possibly can, the money we have spent, the work we have done, the losses we have sustained and the losses we shall undoubtedly sustain in the future if this cable is taken through the Pacific. We will not oppose it if it is required for Imperial or public purposes; we will support it; but we will ask that those Colonies that do subsidize the cable and do assist in its construction shall take our case into consideration, and not let us too severely suffer for our pluck and enterprise in years gone by, when we were a small community, and when the success of the enterprise that we undertook was very doubtful.

Hon. Mr. Foster.—What do you think you will lose?

Hon. Mr. Playford.—It will take our messages. If you want to send a message from Vancouver to Australia, you have to send it across our line, and if this cable is constructed you send it across the Pacific line.

Hon. Mr. Foster.—Will not the general increase of business make it up?

Hon. Mr. Playford.—I think you will find it will not make it up. In our case, we were under the impression that the increase of business would make it up, but we found it did not, and we had to raise the rates a trifle to make up for it. By means of codes, you are able to telegraph an immense amount of information with very little expense; and if I, as a private individual, who have no code, want to send a message to Australia, if I were in London, I would go to Dalziel's or Reuter's, or some agents, and they would telegraph it by their code and give it to my friend in the Colonies; and the result is very few words are sent after all; and the increase in the amount of business done in consequence of the reduction of the rate is very much less than might be anticipated. We have given it a good fair trial, and we have found how mistaken we were in supposing the increase would be as great as we originally imagined.

Having shown the position of South Australia in the matter, I wish to say a few words on the general subject, and I will simply give you my own individual opinion. I shall not speak in any sense as representing the opinions or views of my government. Hitherto I have done it; I have done it as representing the South Australian Colony, and I have done it as a friend to Western Australia in representing their claims to you. What I have previously said I have said with the full concurrence of my own government, and I know I am expressing the views of my own Colony and government. What I am going to say now is the result of a considerable amount of research about this Pacific cable, and I will give you the result of my inquiries. I do not speak as an expert, but I think I have certain information which is worthy of your consideration, because, in considering this subject, we will have to look at the difficulties attending it, and I want to point out a few of those difficulties. It is all very well to say it is desirable to construct a cable across the Pacific; no doubt it is desirable; nobody will dispute that for a moment. It is very often desirable to do a great many things, but the question of cost, and the questions of whether it will pay, and so forth, come in, and we have therefore to look at all the difficulties attending the position, and I wish just to say a few words with regard to this cable, and point out to you some of the difficulties I see attending its construction, and cost in connection therewith. Of course, in considering the construction of this line of cable, the first question we ask is, is it wanted? And if it is wanted, what is it wanted for? So far as connecting any part of the world—at all events the continents of the world—with Australia, it is not wanted; they are all connected now. I can send a telegram from here to-day, and have it landed in any part of Australia in a very few hours. In fact, the time of day in which

it will get to Australia will be backward in many cases; that is to say, the telegram will get there before it has been sent, if you can understand that. There are nine hours difference in time, and you date it a certain hour; it takes three hours to send it; and the result is that we have, in some instances been informed of the death of a man at 6 o'clock in London before 6 o'clock in South Australia; we hear of his death before it occurs.

Mr. Lee Smith.—That is not usual in commercial matters.

Hon. Mr. Playford.—We ask, therefore, what is it wanted for? And I think we may safely say it is not wanted to connect the Colonies with Europe, Asia, Africa, or America, they are all connected now; and we are connected by a system which can do five times the amount of work, without the slightest difficulty, that we are doing along the lines now. We have in every instance, duplicate, triplicate, quadruplicate cable the whole of the way; if one breaks down, there is another to rely upon; and so we have the best means of communication that we can possibly have at the present time; therefore, it is not wanted for that purpose. And then we have got another question to ask in connection with it; what do the Colonies pay for the present line of communication? The Colonies pay a great deal now. Here are the figures. Take 1892-3, which is the time when they paid the lowest; they never paid such a small sum as this since the guarantees were entered into; they paid, the last year, 1892–3, 6,813*l.* to South Australia for the reduction of rates on her land line. They gave to the Eastern Extension Company 32,400*l.* for a cable subsidy; they gave to the Eastern Extension Company for the cable guarantee fund, 21,778*l.* I am leaving out the loss South Australia sustained in consequence of the reduction of rates, because I have not reckoned that, and it would be fair enough that that should go down as a payment. Some 60,990*l.* was paid by the colonies last year for the present communication in the way of guarantees and subsidies.

The President.—How long are you bound to pay?

Hon. Mr. Playford.—Till the end of the century, about five years; and the cable guarantee fund is a guarantee that the Eastern Extension Company shall not suffer more than half the loss in consequence of the reduction of rates. I do not know how long it runs. However, we pay this now for the present line of communication, and a considerable portion of this we shall have to continue to pay; there is no doubt about that. This does not include special sums that are paid by New Zealand for the two cables that connect her with Australia, nor does it include the 4,000*l.* paid by New South Wales and Queensland for the New Caledonia cable, nor the subsidy paid by Tasmania for the short cable from Melbourne to Tasmania, and, in round figures, you may say we paid last year some 70,000*l.* towards the present cable communication we have with the outside world in Australia. Now, it is said it is wanted for the purpose of connecting America by a shorter route with Australia, and to give telegraphic communication with certain islands in the Pacific. No doubt it is desirable, and I admit it; but what are you going to gain by your telegraph communication with those islands that you connect? There is little or no trade with them, and there never will be a very big trade or business as far as I can see. But the main stress is laid by the advocates of the cable upon its strategic importance. Now, then, if it is wanted for strategic purposes, how is it that we never received a report from an expert from the Imperial War Office, showing that it was so wanted? How is it that Mr. Fleming and Sir Charles Tupper and other gentlemen who have taken a deep interest in this cable, advocating it on the ground that it would be of such great benefit to the Empire in case of war, have never, during all these years since the Imperial Conference met in 1887, got the opinion—through the Colonial Office, of course—of some Imperial officer fitted by his position and his knowledge to express an opinion on the subject? Why, gentlemen, we have no such information. You have got the hydrographer's opinion*; he is opposed to it; he says it is not wanted for the defence of the Empire; the Post Office say they do not want it.* Now, that is all you have got, and you have nothing more. In no case can you bring me forward the opinion of a gentleman who, on account of his special knowledge, could give us an opinion as an expert; we have got no such opinion that I am aware of with regard to it being necessary for strategical purpose. And I do think that it is somewhat singular that Mr. Fleming or Sir Charles Tupper did not approach the Colonial Office, did not ask for a special report from some Imperial officer and did not obtain these facts for our information before this Conference. I have heard Mr. Fleming, and I had hoped to hear that he had approached the Colonial Office, and I hoped when he read his paper the other day that he would

* The reports of the hydrographer and Post Office will be found on pages 283–4.

show us he was backed up in his assertion that it was required for strategical purposes by some competent authority; but no such competent authority has up to the present time, I point out, been produced. So far as we know, the Imperial authorities do not consider this of great importance for strategical purpose.

Now, let us briefly trace the history of this proposed cable. The first paper that I have seen on the subject is dated in 1886. I daresay it was talked about in Britain long enough before, but these things do not come to a head or usually do we get a definite proposal until some little agitation has been going on outside, and a great many minds have been exercised about it. The first paper I have been able to get on the subject is one dated 1886, by Mr. Sandford Fleming. It estimates the cost of this line at 2,500,000*l.* He wanted then a subsidy of 100,000*l.* per annum, and his proposal was as follows, that Great Britain was to pay one-half, 50,000*l.* a year, that Canada, New South Wales, Victoria, and Queensland were to pay 10,000*l.* each, that New Zealand, Tasmania and Western Australia should pay 10,000*l.* between them, and he left South Australia out of the calculation altogether. Knowing what injury the cable would do to us, he could not expect us to be a party to put our hands in our pockets to give a special subsidy. That is the first proposal.

Mr. Sandford Fleming.—That was from Australia to England.

Hon. Thomas Playford.—Did you mean a cable across the Atlantic as well?

Mr. Sandford Fleming.—Yes.

Hon. Thomas Playford.—In the paper in question, I have no recollection of any reference to an Atlantic cable. The Imperial Conference met the next year, 1887, and this question was by them most carefully considered. We had Mr. Fleming with his paper. We had a Mr. Hatton on behalf of the Pacific Telegraph Company with his statement, and we had Sir John Pender, the chairman of the Eastern Extension Company examined, and we had his paper as to the proposed cost, and so on; they devoted a great deal of time to the consideration of the question; they examined a number of witnesses, and they went into the matter most fully. Three points were brought under their consideration with regard to the proposed cable. The first was on behalf of the Pacific Telegraph Company, represented by Mr. Hatton, who offered to construct a line on receiving a guaranteed subsidy of 100,000*l.* a year for 25 years. The rates were not to exceed 4*s.* a word. There was another proposal which was advocated by Mr. Hofmeyr and the Cape delegates, in which they suggested a line by way of the Cape of Good Hope to Western Australia, either by way of Mauritius or by way of St. Paul's Island, as mentioned by Mr. Fleming in the interesting paper he read to us the other day. And the third proposal was Mr. Fleming's, who was one of the delegates from Canada, and who was in favour of the line being constructed by the different governments. In fact, Mr. Fleming from that day to this has never wavered in his opinion that if the line is constructed at all it will be better and cheaper and more satisfactory if it is done by the governments in preference to a private company. He took up that position in 1887, and he has held to it all through; and you know how eloquently and how carefully he puts the points in connexion with the advantages of the governments doing it over the companies doing it. And here I might be allowed to say, as I have got to that point, that I entirely concur personally with Mr. Fleming that if you are going to construct a cable across the Pacific it ought to be in the hands of the Government in preference to being in the hands of a company for the reasons he has already advanced. (Hear, hear.) Now, what was the decision arrived at? And here, perhaps, I might be allowed to read the decision arrived at by that conference. I have it here. It consisted of two resolutions, page 514, first volume [C. 5091] July 1887. It commences with a resolution very similar to the one we have under consideration now:—

That the connexion recently formed through Canada, from the Atlantic to the Pacific, by railway telegraph, opens a new and alternative line of Imperial communication over the high seas and through British possessions, which promises to be one of great value alike in naval, military, commercial, and political aspects.

That the connexion of Canada with Australasia, by direct submarine telegraph across the Pacific is a project of high importance to the Empire, and every doubt as to its practicability should, without delay, be set at rest by a thorough and exhaustive survey.

Now comes the question, what has been done since then? Are we to day, in 1894, in a better position than the Imperial Conference to consider this question? I say, no. Nothing has been done since then, with the exception of the "Egeria" making a few

soundings between Fiji and Australia. This thorough exhaustive survey has never been made, and we are certainly not in a position to deal with the subject any better that the Imperial Conference was, who, after taking all the evidence they could get on the subject, and going carefully into the matter, came to the conclusion that they could not deal with it, that they could not further consider it until an exhaustive survey of the route had been made. Now, I will quote what the gentleman representing Canada said on that occasion, Sir Alexander Campbell. He moved the above resolutions, and this is what he said, among other things:—

> Mr. Fleming is exceedingly competent to give an opinion upon the subject. The view expressed by him as to the depth of the ocean needs to be confirmed by an exhaustive survey.

He was favourable to the views that had been enunciated by his fellow-delegate Mr. Fleming, but at the same time, he, representing Canada at that conference, said: "Until we have this exhaustive survey, we can do nothing." Now, we will take what Mr. Fleming himself says on the subject. Mr. Fleming, on page 515, says:—

> It must be admitted, however, that the facts regarding the Pacific are somewhat meagre, and it is really a matter of very great importance that every doubt should be set at rest by having a proper nautical survey made with the least possible delay."

There is the opinion of Mr. Fleming. Now, we will go a little further, and take the opinion of the Premier of Queensland, one of the Colonies more deeply interested than any except, perhaps, New South Wales, of the Australian group. What does Sir Samuel Griffith say on this very subject:—

> I hope that some steps may be taken, and I hope that the delegates will join in impressing upon Her Majesty's Government the importance, if they can, either of undertaking the survey of the Pacific, or of assisting us in that survey, because it is quite clear that, until we know how far that cable can be laid there, it is idle to consider the conditions upon which we should undertake to lay it.

Now, gentlemen, that is the position clearly laid down by the Conference, unanimously laid down by the representatives of Canada on the one end of the line, and by the representative of Queensland at the other end of the line—because it is almost sure to touch Queensland on the other end—agreed to by Mr. Fleming himself, who has been so enthusiastic in connection with this cable, that, before we can do anything in connexion with the consideration of whether we will undertake the laying of the cable, we, at all events, must have an exhaustive survey of the proposed route; and we must be thoroughly certain we can lay the cable, and know exactly what depth we will have to lay it, and what difficulties we will have to surmount, and all matters connected therewith; and I say we are in no better position to-day than they were in 1887. We have had no more soundings since then, practically, and we are certainly not in any better position to-day than we were then. In connexion with this cable, we have had such a multiplicity of routes that if I were to take up the time of Conference in going over all the proposed routes on the Pacific I should weary you. Mr. Fleming has proposed no less than four and given estimates of no less than four. Conferences in Australia have considered the question, and the latest conference we have had on the subject is the conference held in the early part of this year in Wellington, an account of whose proceedings I only got by mail after I arrived here—a copy of the resolutions they carried and an account of their proceedings. This Wellington Conference agreed to a route. They agreed that the route should start from Queensland and go to New Zealand, from New Zealand to Fiji, from Fiji to Samoa, then from Samoa to Fanning Island, then from Fanning Island to Honolulu, and from thence to Vancouver. That route is not marked on any maps I have seen here, but I have a map in which the route is clearly marked down, which also shows all the soundings, and members of the Conference can see it for themselves; and I will confine myself to that route, although that route does not conform to our proposed resolution. It does not avoid foreign soil. It goes to Samoa, which is under the joint protectorate of America, Germany, and Great Britain; it goes to Honolulu, which is practically American—there is no doubt about it—and will be, sooner or later, I believe, part of that great republic. However, I have to take one particular line and argue upon it, and it appears to me the line I ought to take to argue is the line that the conference of New Zealand adopted—a conference of all the Colonies. They met in Wellington at the commencement of this year and, after considerable deliberation, agreed unanimously upon this particular line. Therefore, I take that line and leave out of my consideration altogether the lines that have been advocated by Mr. Fleming or that have been advocated by others. Now,

I will read the resolution that was passed at that conference. The resolution reads as follows :—

That, considering the importance of the interests involved, both of a national and commercial character, in the establishment of a Pacific cable, the representatives of the respective Colonies assembled at this Conference recommend their governments to consider the desirability of entering into a guarantee with the other Colonies interested for a period not exceeding 14 years, and to guarantee interest at 4 per cent. on a capital of not more than 1,800,000*l.*, to any company undertaking the laying of a Pacific cable, the tariff not to exceed three shillings per word for ordinary telegrams, and two shillings per word for Government telegrams, and one and sixpence per word for press telegrams to and from Great Britain and the Colonies; and that the United Kingdom be asked to join in the guarantee, the routes to be either of the following, Brisbane to Aphira Bay (New Zealand), Aphira Bay to Suva, Suva to Apia, Apia to Fanning Island, Fanning Island to Sandwich Islands, Sandwich Islands to Vancouver, or from New Zealand to Suva, Suva to Apia, Apia to Fanning Islands, Fanning Islands to Sandwich Islands, Sandwich Islands to Vancouver.

The second line proposed starts from New Zealand and utilises the duplicate cables from Australia, following the route I have indicated to Vancouver. That resolution was agreed to as late as the commencement of this year, and I take that line for the basis of my criticism.

Now the following are the distances by this route :—from Vancouver to Honolulu, the distance in miles is 2,360. In laying a cable, of course you have to allow for what they call slack, and our Postmaster General, Sir Charles Todd, informs me that he considers 20 per cent. will be required in crossing the Pacific. I therefore allow 20 per cent. for slack, which makes the distance Vancouver to Honolulu 2,832. From Honolulu it goes to Fanning Island, a distance in miles of 1,050, allowing for slack 1,250; from Fanning Island it goes to Samoa—Apia it says in the resolution, but I give the name of the group instead of the little Island—that is 1,330 miles, or, allowing for slack, 1,500; Samoa to Fiji, 678 miles, allowing for slack, 814; from Fiji to New Zealand, 1,052, allowing for slack, 1,262.

So that, supposing by this alternative route it has only to go to New Zealand, and not directly to Australia, the distance the cable will have to be laid will be 6,470 miles or, allowing for slack, 7,764 miles. Then, supposing the route is adopted, they would go, of course, from the Island to the main land by means of the two cables there at present, which have been laid by the Eastern Extension Company; but supposing it is agreed to take an independent cable, then your distances would be as follows: from New Zealand to Australia 1,192 miles; allowing for slack 1,430; the number of miles therefore, which the cable would have to be laid would be 7,762, or, allowing for slack 9,994 miles. That would be the necessary mileage in order to connect Vancouver, the one terminus, with Queensland, the other terminus. Now we come to the question, what are the soundings? There are six sections; five to New Zealand and the one from New Zealand to the mainland. On section Number 1 there are no soundings at all, from Vancouver to Honolulu, but there are soundings between San Francisco and that place.

Hon. Mr. Thynne.—Which had been made since 1887.

Hon. Thomas Playford.—No, the "Tuscarora" made them before 1887, and they are referred to in the proceedings of the Conference. It was done by the United States before 1887. They have not been made at all since, because they would not be made by us from San Francisco under any circumstances, because it was never contemplated to connect the line there. They were made by the United States Government before the Conference. But the soundings that exist from San Francisco range from the shortest distance, 1,117 fathoms to 3,115 fathoms; it is getting up close up to 20,000 feet, with a drop along the line of 1,000 fathoms. Now in Number 2, from Honolulu to Fanning Island, there are no soundings, but parallel soundings have been made to an island called Phœnix Island; that ranges from 205 fathoms to 3,080 fathoms, with a drop of 3,000 fathoms in one place; and I need only inform honourable gentlemen how necessary it is to have very careful surveys to miss the inequalities and to go round them through seas liable to volcanic eruptions like the Pacific. Between Honolulu and Fanning Island there are no soundings, but there are between that point and Phœnix Island, and I have given the depths. Now Number 3, from Fanning Island to Samoa there are only soundings for a short distance; they range from 2,746 fathoms to 2,764. Number 4 there are only two soundings, one at the Samoa end and one at the Fiji end; Samoa end 2,600 fathoms and Fiji 2,805. From Fiji to Australia it has practically been surveyed the whole of the way, and the soundings are favourable; the position being that for about 5,000 miles out of 7,000 miles, speaking roughly, and leaving out odd miles, for 5,000 out of 7,000 miles we have no soundings at all Now

that is the position that I find from looking at this latest chart that I got in London, and which, I am informed by the Admiralty, contains the latest soundings and the whole of the soundings that have been made on the Pacific.

The PRESIDENT.—That 5,000 miles is where?

Hon. Mr. PLAYFORD.—Is it at this end; the other end is all right from Fiji, but from Fiji along this way the soundings are not made. Now, I wish to read you part of a report that was given to me by Sir Charles Todd, who not only has a colonial reputation, but a European reputation, a gentleman well acquainted with telegraphy and thoroughly competent to give an opinion, whose whole life up to the present time has been engaged in matters connected with telegraphy, and who is an acknowledged authority on the subject. I do not propose to read the whole of the report, but I intend to read part of it, because it speaks with great authority on this matter, and I will commence with the route selected by the New Zealand Conference, Vancouver to Honolulu, Fanning Island, Samoa, Fiji, New Zealand, and Queensland:—

This route is less open to objection on account of long sections of cable, but it does not altogether comply with the conditions laid down by the promoters that the cable is not to touch at foreign ports. The cost is estimated at 1,800,000*l.*, on which the resolution agreed to at New Zealand proposes a joint guarantee of 4 per cent. for 14 years.

The through charge on private messages is fixed by the resolution at 3*s.* a word, and the press messages at 1*s.* 6*d.* Out of the 3*s.* at the ordinary existing rates, the company would have to pay out 1*s.* 3*d.* per word for transmission between Vancouver and England, or, say 1*s.*, as probably special concessions will be granted. This would leave 2*s.* a word for the Pacific Company and say about 1*s.* on press matter.

In estimating the revenue, it has been assumed that the traffic will be equally divided between the Pacific and Eastern Extension Company, but such would not be the case. All that the former could expect would be the whole, perhaps, of the North American business, which, as I have already said, is about 4 per cent. of the whole, and possibly one half of the messages to and from the United Kingdom. It would get little from Europe and none from the east, India. The Straits Settlements, China, &c., all of which business would still flow through the Eastern Extension Company's cables; and the latter Company, it must be remembered, would not, like the Pacific Company, be wholly dependent or nearly so, on Australian traffic, as it carries all the international telegrams of the eastern countries within reach of its cables. The Eastern Extension Company is also closely associated with the Eastern Company, and the land lines to India viâ Persia.

In the event, therefore, of a war of tariff, that company would be in a far better position than its rival, and in such a case I see nothing but ruin to the latter, if not supported by extravagant subsidies. The company would have to come to terms with the Eastern Extension Company, whose loss, under any circumstances, would also be very great.

Taking everything into consideration, I should not feel justified in estimating a greater revenue for the Pacific cable than 50,000*l.* a year.

The working expenses including cable ship, &c., may be set down at 50,000*l.* to 60,000*l.*

At least 3 per cent.—better still 4 per cent.,—should be set aside for amortization, or say, 60,000*l.*

The financial position would, therefore, be as follows:—

		£
Capital		1,800,000
Revenue	£50,000	
Guarantee 4 per cent. on 1,800,000*l.*	72,000	
	122,000	
Working expenses including maintenance of cables, ships, &c., say		55,000
Amortization		60,000

Leaving no margin of profit to shareholders, who ought to get at least 7 per cent. on such a risky venture.

Mr. Fleming suggests that the cable should be the joint property of the governments interested, namely Great Britain and Australasia, who might raise the capital at 2½ per cent. I do not see any practical difficulties in the way, but still it might be done, and if so the position would be as follows:—

Annual cost 1,800,000*l.* at 2½	£45,000	
Working expenses and maintenance as before	55,000	
Amortization	60,000	
		£
		160,000
Revenue		50,000
Loss		£110,000

So the Colonies would have to put their hands into their pockets to the tune of 110,000*l.* to make up the loss according to these figures; and I know they are made not from a one-sided view of the question, but from an earnest desire only to speak what he believes to be the absolute truth in the matter.

That is the proprietary governments would for some time have to pay 110,000*l.*, or more probably, 120,000*l.*, a year to keep the line open.

It must be further remembered that the cable would have to be laid at great depths, with abrupt inequalities, and over coral reefs, and, as the British Hydographer very properly states:—"It would require a long and "minute search by a vessel specially fitted for sounding before the best route could be selected."

Much is made by the promoters that this cable is wanted for strategetic purposes—in the event of war it would add to the security of the Empire. On this point, the British Hydographer says in his report to the Admiralty :—

"Looked at from an Admiralty point of view, the sole advantage of a submarine cable across the Pacific would be the power of communication afforded with ships at Honolulu and the Fijis and the surrounding groups. This advantage cannot be considered as, in peace time, great, and it would not appear in time of war to be important, as the Fijis are the sole possession affected."

Now, there is the British officer talking about the strategetic cable ; in time of war, he says, it does not appear to be very important.

Hon. Mr. FITZGERALD.—He is not a military officer.

Hon. Mr. SUTTOR.—He is a naval officer.

Hon. Mr. PLAYFORD.—He is a naval officer, I should imagine.

Lord JERSEY.—Oh, yes.

Hon. Mr. PLAYFORD.—Sir Charles goes on to say :—

It is said the present cables would be cut by the enemy, so, of course, would any cable laid under the Pacific. The latter being in long length could not be so easily repaired, nor could any particular section, if interrupted, be promptly bridged over by fast steamers.

I may point out when our cable was interrupted, as it was, when we had only one cable, the space was bridged over by a fast steamer, running over and transmitting the messages, and only a few days were lost.

The short lengths of the Eastern and Eastern Extension Company's cables present advantages in this respect, whilst their importance, connecting, as they do, the whole of the east with England, would lead to their being efficiently protected by fast cruisers patrolling the entire route. The weakest point in the present line of communication is, no doubt, in the Mediterranean.

Then he continues :—

At the worst, however, if the Mediterranea ncables were severed, we would still have an alternative line through friendly states in Europe. And there is, besides, a continuous chain of cables down the west and east coasts of Africa owned and worked, I believe, entirely by English companies, and, although they touch at some points foreign territory, they could with comparative ease be relaid or joined over and protected. These cables would connect at Aden. East of Suez or Aden the cables would be so carefully guarded as to secure practically uninterrupted communication.

Now, I wish to refer to another point. It is no use considering this subject in the light of one cable. You are only throwing away your time, and you are only going to bring disappointment and trouble in future if you do. Our experience has been, I say, that one cable cannot be relied upon, and that you must have two. Our experience in the first place was with a cable that was laid by the Eastern Extension Company from Banjoewangi to Fort Darwin ; they laid one line of cable ; for that they got no subsidy. Sir John Pender was perfectly right in his statement that when they laid the cable first to Australia they never got any subsidy at all, but when we complained of the constant interruptions, Sir John Pender said, "We can do all our "work on the line ; it will not pay us with our amount of business to lay another "cable, but if you like to give us a fair amount of interest on what a second cable "would cost, we will lay a second cable ;" and the Colonies agreed to pay to the end of the century a subsidy at the rate of 32,000*l.* a year, which was the interest on the money required for the construction of this line of cable ; and the cable was laid. We were so impressed in the Colonies with the absolute necessity of a second line of cable, that we agreed to put our hands into our pockets to the tune of over 30,000*l.* odd a year in order to get it. Now, let us go a little closer and consider what has been done across the Atlantic. As far as my reading extends, the first cable laid would not speak very well. I think they got a message through at first, but it was found useless ; the second cable was laid by the Great Eastern ; it broke, and the Great Eastern laid another ; and after she had laid it successfully she picked up the cable that was broke, spliced it, and there were then two cables. When telegraphic communication was opened with America, two cables were within a short time of each other laid and at work. Then, I think, the next to lay a cable was Mr. Bennett, of the "New York Herald." Did he lay one cable ? No, he laid two cables. If one of his cables had broken there was still the other to send messages by ; he knew his messages would go all right even if one cable broke. Who was the next ? Jay Gould. He laid down two, and subsequently sold them. And take the lines that we have from Australia at the present time ; starting from Australia we have three cables, two from Port Darwin and one from Roebuck Bay. Go along further and you see four cables laid down. There is a multiplicity of cables ; so that in no case between England and Australia are we at present dependent upon less than three cables. It has been

found imperatively necessary, in every instance where cables are laid in long distances, that they should be duplicated at the very least, if not triplicated. And, therefore, in considering this subject, you must consider it in the light that you will have to lay two cables. Sir Charles Todd told me two cables were necessary; he had no doubt on that point. He said, "I have not touched it, I have only alluded to "one cable, and I have criticised it as lightly as I possibly can, but two cables must "be laid." Therefore, in making any estimate of the cost of cable communication between Vancouver and Australia, you must make provision for two cables, and that will go a long way to double the estimated cost as given by Sir Charles Todd.

Now, I come to another subject. Since the conference in 1887, a gentleman called Mr. Audley Coote, who has been for many years advocating a line of cable across the Pacific, entered into communication with the French Government, and suggested that a line of cable should be laid from New Caledonia to Australia, and that that should form the first link in the chain of a Pacific cable to some point in America. Two of the Colonies agreed to subsidise that first link; I do not mean to say that they agreed to subsidise it with the intention of ever subsidising it any further; but in doing this, so far as the printed correspondence is concerned, they, I imagine, led Mr. Audley Coote to believe that they would, because he distinctly referred to it as the first link in the line across the Pacific, and he never departed from that position. New South Wales pays 2,000*l.* a year towards it, and has agreed to pay it for 14 years, and Queensland has done likewise. When it became known in the Australian Colonies that this arrangement had been made, there was a considerable amount of hostile criticism on the action of these two Colonies in subsidising a line going to New Caledonia. If that line was in any sense to be considered a link in the chain of communication across the Pacific, they have since said that they do not intend to go any further; they intend to stop at New Caledonia.

In connexion with this point, I wish to allude to a matter upon which there is a good deal of misconception in some of the Colonies, and I think that at the earliest possible moment we should set that misconception right. Mr. Audley Coote in one of his letters told the Colonies that there was a compact entered into in Paris, in 1884, in which it was agreed by the various powers that in time of war no cable nor telegraphic communication should be cut; and it was an understanding based upon that assertion of Mr. Audley Coote's that led the people both of Queensland and New South Wales to believe that it was a matter of perfect indifference whether cables touched at foreign ports or not; that if the great powers, including France, had agreed that they would not cut the cables in time of war, there was no necessity to trouble about the matter; the cable will not be interfered with; and I believe they were led astray in that way. In the first place I wish to read a word or two from the report of the proceedings held in Hobart, in March 1892, from the speech of the Hon. T. Unmack, who was at that time, I think, Postmaster-General of Queensland, when this question was considered. Mr. Unmack, in the most unmistakable language, tells us he does not think there is any disability at all in going through a foreign country. This is a minister of the Crown, and not an ordinary civil servant. I will not read all he says, but simply this part:—

The undertaking was a bonâ fide one:

That is, the undertaking to connect Australia with New Caledonia, as a first link in the line across the Pacific:

The undertaking was a bonâ fide one, as far as they could judge, and the only objection he had heard raised was that the cable was to go to French territory. He did not think they need trouble themselves about that question because, first of all, they had seen how territories frequently changed hands, and as far back as 1884, they would find a treaty of nations by which they bound themselves that all cables in time of war should be considered as neutral.

Now, this is the Minister, the Postmaster General of the Colony of Queensland, who speaks in this authoritative manner at a conference; and I have looked through the reports which I have here, and I find that not a single soul in the Conference ever objected to it at all or criticised it it any way, or even said he doubted it. It was simply swallowed holus bolus, and I believe that is one reason why they agreed to that subsidy, which I am sorry they ever contemplated.

Hon. Mr. Sutton.—What is the date of the Conference?

Hon. Mr. Playford.—1892.

Hon. Mr. SUTTOR.—The official correspondence shows there is no such treaty in existence.

Hon. Mr. PLAYFORD.—I am coming to the point; but now I am going on in my argument to show the misconception the Colonies laboured under, and the reason they subsidised this cable was, I believe, because of such misconception.

Hon. Mr. SUTTOR.—No.

Hon. Mr. PLAYFORD.—Your New South Wales representatives did not criticise Mr. Unmack; they supported him in all his contentions; and therefore I judge that your representatives from New South Wales let the matter remain in silence, believing that the statement made by Mr. Unmack was correct. Now, I am going to quote from a paper, dated 5th July 1893, by Mr. J. C. Lamb, of the Imperial Post Office. In the course of his remarks, criticising this proposed cable, he says :—

> It seems unnecessary, from the point of view of Imperial interests, to go further into this plan, but it may be well to refer to a misconception on the part of some of those with whom it finds favour. Met with the objection that a cable landed on foreign territory might be of little use for the defence of the Empire, they reply that the difficulty is provided for by an international convention under which all cables are made neutral in time of war. This is not the case. The only international convention relating to the protection of submarine cables is that which was made at Paris on the 14th March 1884, and if reference be made to the copy of the convention annexed to the Submarine Telegraph Act, 48 & 49 Vict. c. 49, it will be seen that it contains no provision for the neutrality of cables.

And so our people, with regard to the matter of neutrality of cables, have been labouring altogether under a misconception.

Hon. Mr. SUTTOR.—We deny the misconception; we knew it was not so.

Lord JERSEY.—As a matter of fact, in that convention the rights of belligerents are expressly reserved.

Hon. Mr. PLAYFORD.—If they were under no misconception it is very peculiar the representatives did not point out the mistake to the Queensland people. However, I will not detain the Conference further on that point. I have mentioned a number of difficulties in connexion with this proposed cable, and, as Sir John Thompson said, that in considering this matter we would have to look at all sides of the question and sift it to the bottom before coming to a conclusion. I have, therefore, given the delegates the information I have gained, after careful study of the subject, and I have pointed out the difficulties that attend this project. In the first place, I contend that before you can do anything of a practical character, you must have a survey; before you can have a survey, unless you are going to have a useless and expensive one, you must define the route along which that survey is to be made. That is what you have got to fix. If the cable is to be laid, you must say, "This is the route we want surveyed," or else you may have a route surveyed which, when you come to consider where the cable will be laid, you will abandon, and the survey will be practically useless so far as the purposes of the cable are concerned. You must first fix your route that you believe will be best to connect the two countries by; you must then have the survey made; then when you know what you have to contend with in regard to the bottom of the ocean, you can come to a conclusion as to whether you will have the cable made; but that survey will be the only means of estimating accurately the cost of the cable, without which you will certainly not be able to determine it; and therefore it appears to me that those of you who are in favour of this line of cable being constructed across the Pacific will have to content yourselves, as far as this Conference is concerned, with going just one step in advance of the conference of 1887. They said it was desirable a cable should be laid; we say the same; and they said secondly, an exhaustive survey must be made, and we will, if we are wise, do the same; but this is what they forget to say: they forget to say what route it should go by; and considering the number of routes, the British Government very properly said: "We do not know if this line is going to be constructed; or where it is going to be constructed"; and the result was no survey was made or is made to-day. You must decide the route you want surveyed, and agree whether you will get the Imperial Government to do it, or whether your Colonies, along with Canada, will put your hands in your pockets and make the survey. In addition to saying that it is desirable the line should be constructed, you will have to fix the route. That appears to me as far as this Conference will be able to go in connexion with the Pacific cable at this time.

The PRESIDENT.—Can you tell me what the total receipts of your overland line are, because I have been under a misapprehension altogether, arising out of an interview I had with a gentleman there last fall?

Hon. Mr. PLAYFORD.—I have the details in my hands; I have not totalled it up, but I have it each year, and it is only a matter of addition. It is 21 lines, and I cannot give it at the moment.

The PRESIDENT.—I mean the annual receipts.

Hon. Mr. PLAYFORD.—In 1890, 41,000*l.*; in 1891, 34,000*l.*; in 1892, 35,000*l.*; in 1893, 39,000*l.*

The PRESIDENT.—I understood from your Premier, in discussing this question with him, that the net revenue derived from your cable was about 40,000*l.* a year, and naturally asked the question what position they would be in if this new cable was constructed? I asked him the question: "Do I understand you to say that the "revenue derived from this cable investment of yours nets you 40,000*l.* over and above "the interest upon the investment and the working expenses?" And his answer was, as I understood him, Yes.

Hon. Mr. PLAYFORD.—It could not possibly be.

The PRESIDENT.—That is why I felt that I must be under a very great misapprehension, and it is somewhat singular that he did not set me right in the conversation which subsequently took place, because I said to him in reply, "If you have a net "revenue of 40,000*l.* annually, why do you not reduce your rates in the interest of "the commercial community? If that were in Canada, no government would be "permitted to derive a revenue from an investment of that kind; they would be "obliged to reduce it in the interest of the community who uses it; as that should be "the object of all governments." I remember the conversation distinctly, and am surprised he did not set me right.

Hon. Mr. PLAYFORD.—You were speaking to the Attorney-General, a lawyer, not the minister controlling the Telegraph Department, and your question must have been misunderstood.

The PRESIDENT.—A lawyer ought to know the difference between a gross revenue and a net revenue. My argument was that if that were the case it was a profitable investment, and if so the duty of the government was to reduce the rates in the interest of the commercial community.

Hon. Mr. FOSTER.—Evidently by the returns the whole revenue was only 39,000*l.*

REPRESENTATION OF HAWAIIAN INTERESTS.

The PRESIDENT.—Mr. Davies is to be here at 12. Is there any objection to hearing him now?

Hon. Mr. FITZGERALD.—That is the understanding.

Mr. DAVIES was then introduced to the Conference.

The PRESIDENT.—We are discussing, Mr. Davies, the question of a Pacific cable, and shall be very glad to hear any statement which you desire to make, to the Conference, either upon cable or trade relations, representing, as you do, the commercial and not the political aspect of the question.

Mr. DAVIES.—When I received your invitation, yesterday, I thought it was wiser to put what I had to say on paper, in order that I might make no mistake. With your permission I will be pleased to read the paper:

Mr. President, my Lord Jersey, and Gentlemen.—In response to your invitation I have the honour to present the following paper upon the subject of cable and steam communication to the Pacific:—

I am confident that whatever government may be in power, Hawaii may be relied upon in the future as in the past to legislate intelligently and definitely for the promotion of the interests of commerce, and in a liberal and broad manner.

It has been, and is, the earnest wish of the governing as well as of the business classes to bring Hawaii into the circle of Pacific Ocean traffic, and to cultivate the most cordial relations with her great neighbours to the north, south, east, and west.

Hawaii desires not only their trade, but the respect and confidence of those neighbours.

In confirmation of this assurance, I may quote the following lines, which the present Minister of Foreign Affairs of the Provisional Government of Hawaii addressed to my firm at Honolulu, under the date of the 1st of June. He says:—

"In regard to the matter of port charges this government is disposed to consider favourably a proposition working towards the reduction of total abolition of these charges in relation to your steamships; but would prefer to treat this matter in connection with the subject of the carriage of the mails. The good will of the Government to your line has already been made manifest."

The minister goes on to say:—

"In regard to a trans-Pacific cable, negotiations are on foot of a confidential nature respecting the utilisation of Hawaiian territory for that purpose. At the present time the government is unable to say

more than to express its great interest in the project of a cable, and its desire to expedite it in every way in its power."

These words of the minister are in entire accord with the tenor of the report of the Chamber of Commerce upon the subject of steam and cable communication, a copy of which report was forwarded to Mr. Bowell and published in the report of his recent mission to Australia.

In matters of trade and commerce it has generally been found that what the Honolulu Chamber of Commerce has recommended the Government has endeavoured to carry out by legislation.

I will speak of the cable first.

The great aim of the commercial and of every other interest in Hawaii is to induce the projectors to land within what is known as the Hawaiian group. This aim would hardly have been gratified by the landing of the cable at an uninhabited island nearly 500 miles away, and my personal belief is that the recent annexation of Necker Island by Hawaii was undertaken in order to induce the landing of the cable somewhere nearer the chain of Hawaiian communication.

I say this because I gather from the newspapers that the Hawaiian Government have in some way received the impression that there was an intention to carry the cable past Hawaii without touching here.

I have no right nor have I any intention to touch upon the points which might seem to have a political or international character. I can only assure the Conference that Hawaii is unanimously anxious to have this cable communication, and that she will be found prepared to negotiate in that frank and friendly spirit which I endeavoured to indicate in my opening statement.

Leaving aside the question of how to deal with the Imperial control, or at least with the neutrality of the cable, I should feel it unnecessary to dwell upon the immense commercial value of a central telegraph office in the Pacific Ocean—if I had not found, by years of experience, the difficulty of making people understand that there was any Pacific Ocean—except in books about the habits and homes of coral insects.

In 1893,	2,000	passengers	arrived in Hawaii.
do.	2,000	do.	left Hawaii.
do.	8,000	do.	arrived in transit, making
	12,000		in all, excluding what are called emigrants.

In the same time 13 ships of war and 310 merchants vessels arrived in Honolulu. Not one of those 12,000 passengers, nor of the captains and officers of those 323 ships, spent a single dollar on a cable message—simply because there was no cable.

I venture to assert that the revenue to be derived from the landing of a cable at Honolulu will greatly surprise those who estimate that revenue, merely by the population, or the area of that country. Hawaiians know that the fact of Honolulu being a cable centre will bring a very considerable traffic to their port. They estimate that many more ships will come there for orders and for charter when their owners know that they can be in telegraphic communication with themselves. Many ships now go to San Francisco for orders, which will assuredly in future come to a port which is nearer the centre, and where their crews cannot desert, and where the expenses are very much less.

The cable means very much for Hawaiian commerce—but it means much also for the owners of the cable. I doubt whether any port in Australasia will contribute more towards their revenue than the same port of Honolulu.

Even now steamers call there regularly from China, Japan, Vancouver, San Francisco, Sydney, and Auckland, but we look—even as you gentlemen do, or you would not be here—to an immense development of that traffic.

It is impossible to believe that Honolulu will be left long without a cable, and the first cable to land there will have all the revenue to which I have referred.

It is hardly my province to detract from Necker or any other of the rocks that might be available, but I will read to you the official description which the Hawaiian Government has furnished to my firm, from the report of the Minister of the Interior, who took recently possession.

(Copy.)

MEMORANDUM REPORTED BY CAPTAIN KING IN REGARD TO NECKER ISLAND.

No water.
No trees.
No grass.
Thin soil in places with patches of weeds, no other vegetation.
To support life, supplies would have to be brought to the island, including water.
The station there would be similar to that of a lighthouse.
No difficulty in landing at the north side in ordinary weather.
Landing is made by stepping on a ledge of a lava rock similar to the old Volcano landing at Keauhou.
No landing on south side as cliffs are inaccessible.
Anchorage on north-west side good.
Anchored three-quarters of a mile off shore in 18 fathoms of water, bottom of sand and shells shelving towards shore. Captain King thinks a cable could be landed without great difficulty.

(Signed) F. M. HATCH.

"No water—no trees—no grass."
"To support life supplies would have to be brought to the island, including water."
"The station there would be similar to that of a lighthouse."

This would not be the first time that life had to depend on the periodical supplies from Honolulu. For years my firm had so to provision Starbuck Island, Johnson's Island, Fanning's Island, Christina Island, and other guano islands, and, though we had no mishaps, we had constant anxiety. On three occasions deplorable mishaps have occurred, and in the present year the German caretaker on Hay-saw Island, was found dead in his cottage, by a passing shipmaster. I suppose hermits could be found to occupy even such an isolated tower, but I venture to say that its isolation adds somewhat to the argument which I have endeavoured to advance in favour of a very urgent attempt to secure a landing within the circuit of the Hawaiian Archipelago.

I will now turn to the question of steam communication—and in doing so there is less need of statistics.

I find that Mr. Bowell in his report has already presented the chief figures of Hawaiian trade; Imports in 1892–$7,439,000—of which United States sent $5,294,000.

Exports in 1893—$10,818,000, of which United States took $10,754,000.

Of that $10,818,000—$10,495,000 consisted of sugar and rice, which all went to the United States, by virtue of the Reciprocity Treaty.

But the statistics of exports and imports belong rather to the owners of the steamers, and the question of which this Convention is to treat is, I suppose, the establishment of a line between Canada and Australia. I have had a good many years' experience in these steam enterprises, ever since Mr. Hayden Hezekia Hall first beguiled a number of passengers from Sydney to Honolulu and there transferred them to the wretched little steamer "Idaho," in which also I was unhappily a passenger. I have travelled by all the lines and by nearly all the steamers—and my personal verdict long ago was, that the first English steam line that crossed the Pacific, would sweep the trade.

A friend of mine who came up in the "Arawa" this last trip, told me that it was the most delightful trip he had ever made; and I contrasted that evidence with my own experience 4½ years ago.

I am confident that the trans-Pacific trade would be more than doubled if the steamers that carry it were equipped and conducted as the Atlantic boats or the Empress boats are.

But there is more involved than the comfort or the number of passengers. These steamers open connection with new ports and districts, and that means a great impetus to the trans-Pacific lines. With a cable and an established steam line between Honolulu and Vancouver, a valuable trade is assured, not merely a diverted trade, but a trade that does not now exist—a trade that will be largely developed by your own cable—by the new enterprise which you have come here to discuss.

I suppose the cattle and sheep owners of Hawaii would echo that Canadian objection which followed Mr. Thynne's proposed shipments of Australian meats. But undoubtedly the system of cold storage will be introduced into Honolulu, and with those powers of consumption with which we astonish all visitors, we shall open a market for large shipments of meats, poultry and fruits.

Mr. DAVIES.—I would be pleased to answer any question that may be asked.

The PRESIDENT.—I was going to inquire whether the present government, or that of the past, had not pledged themselves to certain subsidies, or offered certain subsidies for the construction of a cable to connect with this continent?

Mr. DAVIES.—There was an offer of $20,000 per year as a subsidy to the first cable line, but things generally are in such a chaotic condition that I did not think it worth while to refer to that. I refer, generally, to the principle that the Hawaiians mean what they say when they make the statement that they will do everything in their power to assist, which statement the Minister of Foreign Affairs reiterates. Of course, the landing, the accommodation, the connection, and the whole thing, is a matter of negotiation. It would be impossible, under any circumstances, for them to say: "We will pay 20,000; what will you give us?" They are open to negotiate on terms which, I think, every one must consider satisfactory.

Lord JERSEY.—What is the distance to San Francisco from Honolulu?

Mr. DAVIES.—2,100 miles.

Hon. Mr. FITZGERALD.—That is about 300 miles shorter than to Vancouver?

Mr. DAVIES.—Yes. I do not know if that is the cable distance.

Sir HENRY WRIXON.—Necker Island belongs to the Hawaiian Government?

Mr. DAVIES.—It does now, since the 27th May.

Sir A. P. CARON.—What distance is it from Honolulu?

Mr. DAVIES.—460 miles.

The PRESIDENT.—It was always claimed by the Hawaiian Government, I understand.

Mr. DAVIES.—They had never landed there.

Lord JERSEY.—But still, it would be within their sphere of control.

Hon. Mr. FITZGERALD.—The island further west was claimed. This was the exception because they had not landed; at the others they did land.

The PRESIDENT.—Still, it was considered by the Admiralty as belonging to Hawaii.

Hon. Mr. THYNNE.—I think I have read somewhere that the Hawaiian Government had given to a French company some exclusive right of landing a cable in Hawaii. Are you aware of anything of that kind?

Mr. DAVIES.—No, and I am sure it cannot possibly be the case. If such were the case, I think I would have heard of it before.

Hon. Mr. FITZGERALD.—The trade of the Hawaiian group is now chiefly with the United States?

Mr. DAVIES.—Yes.

Hon. Mr. FITZGERALD.—Have you any treaties still existing?

Mr. DAVIES.—Oh yes, the reciprocity treaty still exists.

Hon. Mr. FITZGERALD.—Any time fixed for its expiry?

Mr. DAVIES.—No. Either government may give twelve months' notice of abrogation.

Hon. Mr. THYNNE.—I would be glad if you would look at this, which purports to be an Act of the Hawaiian Parliament authorising the granting of an exclusive right of landing cables in the territory. The Act appears to have been passed.

Mr. DAVIES.—One of the conditions was that the cable was to be completed before the 1st January 1894. Of course I was aware of all that.

Hon. Mr. THYNNE.—Then the fact is that the authority which was given by Parliament has lapsed?

Mr. DAVIES.—It has lapsed.

Hon. Mr. THYNNE.—This was practically in the shape of an offer. Do you think the Hawaiian Government would have any difficulty in making a similar offer or arranging similar terms in regard to the projected cable?

Mr. DAVIES.—I have very carefully guarded myself in speaking about the Hawaiian Government, because I am not authorized. I have confined myself to the Chamber of Commerce. The Chamber of Commerce would be favourable to a cable, and so would the government. May I refer for a moment to the report of the Chamber of Commerce? This is what the report says:

The committee are very sensible of the great advantages which this community must derive from any traffic which brings us into direct connection with the various important countries which are touched by the Pacific Ocean. The special subject of the present report is the trade which may be developed between Canada on the north and Australia on the south by means of cable and steam communication.

Several schemes have been suggested during recent years for bringing Honolulu into telegraphic union with the world; and it is not of very material importance to Hawaii whether the connexion shall be made by one line or another. Undoubtedly the San Francisco connexion would be preferable, because this is the point where our chief commerce is, and always will be, maintained; but the committee are of opinion that every possible facility should be given by the Hawaiian Government to any country that will introduce a trans-Pacific cable to our shores. We are confident that the necessity for speedy communication with the naval and mercantile steamers that frequent our ports will compel governments as well as private owners to inaugurate a cable service for their own convenience and protection; and the committee do not consider that this service will be hastened or retarded by any action that can be taken here. We therefore confine ourselves to the recommendation that this Government shall express its desire to facilitate, in every possible way, the creation of cable communication across the Pacific Ocean.

With regard to the subject of steam service between our shores and the Canadian and Australian Empires, the committee are of opinion that a very important development of our trade must follow the inauguration of such a service. The tropical products of our islands already find a large market in the North-west territory of the United States, and with proper facilities we could send to the Canadian markets of British Columbia all the sugar, coffee, rice, fruits, etc., that they could dispose of. For the present, nearly the whole of our sugars are under contract to be shipped to San Francisco, and therefore are not available for shipment to any other market, but it is not improbable that an arrangement could be made between the San Francisco and Vancouver refineries whereby the latter could receive its supplies from Honolulu, and so restrict the importation of raw sugar to the Pacific Coast by discontinuing importations from Manilla.

The short experience we have had of the Canadian-Australian line of steamers enables us to express our confidence in the future of the trade it will bring to our shores. The contrast between the climate and scenery of British Columbia and those of Hawaii will induce a great interchange of visitors, and gradually open up an important passenger traffic, which cannot fail to be beneficial to both countries.

The committee are deeply impressed with the importance of giving every encouragement to this and all other steam lines which make connexions with this port; and they recommend that the Government be requested to extend all freedom of port charges that is in their power to the steamers so coming.

Then the Minister writes in response to that, saying that in regard to the trans-Pacific cable, negotiations are on foot, of a confidential nature, at the present time, and that, for the present, he cannot do more than express his great interest, and offer to do all in his power to assist.

Hon. Mr. FRASER.—How stands the treaty with the United States Government?

Mr. DAVIES.—Subject to a year's notice, which, probably, will never be given; it is too valuable to us, and the United States regard it as a sort of moral hold on the island. I suppose one-third of the ten millions which I stated, as to sugar and rice, is practically a bonus from the United States to the Hawaiian planters.

Hon. Mr. FRASER.—Could the Hawaiian Government treat with foreigners for a similar arrangement to that of the United States?

Mr. DAVIES.—No.

The PRESIDENT.—They would object to the extension of that treaty, say with Canada or Australia?

Mr. DAVIES.—I think the treaty itself prevents that, unless abrogated. I think it is really taking up unnecessary time to consider interfering, in any way, with the

American Reciprocity Treaty. It is a treaty that has been very useful to the island and very useful to the United States.

Hon. Mr. Foster.—Eight-tenths of the commerce running in that way?

Mr. Davies.—Yes.

Hon. Mr. Fitzgerald.—What is the population?

Mr. Davies.—The population is about 100,000. That includes natives.

Hon. Mr. Playford.—The natives are dying out.

Mr. Davies.—No, the natives are not dying out. There are more children there than ever before. The old natives are dying out. The Queen spoke to me, some two years ago, when I was there. She said, I know that the Hawaiian race is disappearing, but my great desire is the same as that which my brother had before me, that this little country shall remain under its own control, whatever people are here. The half-breeds are more loyal than the natives, they are intensely loyal to the Hawaiian flag, therefore, there is no prospect of the Government passing out of their control.

Hon. Mr. Foster.—Are the half-breeds a superior race to the natives?

Mr. Davies.—Oh yes, very much so. Then, there is a very large foreign population which is Hawaiian born, and they are forming a community of their own; that community is a perfectly loyal one, so that I do not think there is any fear of the time arriving when there will be any necessity for Hawaiian independence to cease.

The President, on behalf of the Conference thanked Mr. Davies for the able paper which he had presented.

The Pacific Cable—(*continued*).

Hon. Mr. Thynne—Hon. Mr. President, my Lord, and Gentlemen.—In addressing you to-day I do not propose to take up one moment longer in speaking to you than I can possibly avoid. I may say at the outset I have consulted with my colleague and he desires me to present to you the views which he entertains as well as those of myself, which I will endeavour to express. I think, sir, before I go any further I cannot but express my feelings of pleasure at the particulars which Mr. Playford has been good enough to give us, and the facts and information which he has given are interesting. But, beyond all, we have received with pleasure an intimation of the attitude which his Government is prepared to take. I think it would be ungenerous on the part of any one of the Australian Colonies to raise any serious objection to the attitude which the South Australian Government, through their representative here to-day, has expressed. Gentlemen, I think, in addressing ourselves to this general motion of Mr. Suttor, there is some danger of the discussion becoming somewhat diffuse, by reason of debating a number of minor points, which I think would properly, and economically as regards time, be dealt with in separate subsequent motions. On this motion, which is a general proposition that a cable ought to be constructed, I shall limit myself, as far as I can, to that one proposition without going too deeply into the minor details of the question, which will, no doubt, be dealt with separately on subsequent motions. Now, there are one or two matters, however, which I think I am bound to make an effort to clear away before entering on this question. Reference has been made by Mr. Playford to the resolution adopted at the New Zealand Conference a few months ago. I have to state here, and distinctly, that my Government does not endorse the resolution arrived at by the New Zealand Conference. There are circumstances connected with the passing of that resolution which I will not trouble you with, but which satisfy the Government of Queensland that they are really not to be held bound by the resolution which their representatives appear to have agreed to on that occasion. I think it would be a pity that any member should come to this Conference tied too much as regards route or direction. I hope we will all approach the question as fairly as we possibly can. Now, as Mr. Playford has stated the attitude of his Government towards the Pacific cable, I think I might as well give, or endeavour to make, equally as explicit a declaration of the desires of the Queensland Government. Their policy has been one continued policy for the last 20 years. They have never diverged, one ministry after another, from the same attitude right through the whole period, and I do not think I can put that policy in better words than were expressed, by a distinguished member of the Queensland Parliament, Sir Samuel Griffith, at the Colonial

Conference. I think it will be shorter if I just quoted the words he made use of, which are as follows:

> The Queensland Government takes up this position: that the Australian Colonies cannot safely depend upon a single line of cable, and that a duplicate line of cable is necessary. There have been two or three conferences upon the subject. I recollect having been at one in 1877, when it was affirmed unanimously, that there should be a distinct and independent line. The Eastern Extension Telegraph Company maintain that they have given us a duplicate line by laying a second cable from Java to Port Darwin but as the strength of any line is its weakest point, we maintain that these cables, all of which run from England, through foreign territory or through seas continually full of ships of foreign countries, form by no means a duplicate line of cable, which we have always maintained should be established.

The Queensland Government to-day express the same opinion: that a duplicate line is necessary and essential to the safety and welfare of the Australian Colonies, and we come here prepared to give our vote and assistance, so far as we are able to, for the construction of a new line. Some reference has been made to the fact that the Governments of New South Wales and Queensland entered into a contract for a cable to New Caledonia, professedly the first step in the construction of a trans-Pacific cable. Well, gentlemen, the Government of Queensland does not feel itself in any way hampered by the arrangement that has been made with that company in joining in the construction of a cable to Vancouver, and, if the occasion ever arises to question the propriety of the attitude of the Queensland Government, it will be time enough then for me to explain the position of the Queensland Government. I do not think I am called upon to discuss that question now. I merely state that we are quite free to co-operate with you in the establishment of this line. With regard to Mr. Playford's address, I would like to say that while he has so distinctly and fairly defined the attitude of his Government on this question—and in his address he drew a very clear distinction between the views which he expressed as the views of the South Australian Government and the views which he expressed as his own opinions—we are very grateful for the large amount of information which he has contributed; but I do think that in his address he has succeeded in putting before the Conference in the strongest possible light every possible difficulty and objection with which we have to contend. With all due respect to Mr. Todd, for whom I have as high a regard as Mr. Playford, yet, at this Conference, we have learned by experience that we have to look with a great deal of attention at the statements and opinions which are expressed, honestly no doubt, by those who are interested, either officially or otherwise, in either promoting the construction or opposing the construction of this particular cable. I am afraid that in the objections that have been put forward by Mr. Playford, he has included several things which I am sure this Conference will agree have been already disposed of. We have heard of Capt. Wharton's report. Well, gentlemen, that is an old document. It was penned before the Conference of 1887, it treated the subject from only one—the commercial—point of view, and the Government have not taken any steps which will lead us to believe that the opinions which he expresses in his report are confirmed. On the contrary, it seems to me that the information which is given now by the latest Admiralty charts, which Mr. Playford himself has been good enough to produce at this Conference, affords an amount of information regarding this motion here which clears away all the difficulties that have been raised so frequently in connexion with the construction of this cable. I believe that this chart of itself has removed, and will be considered to have removed, the main objection which has been raised to the contruction of this cable. We have here on this plan practically a complete survey from the Sandwich Islands down to the Australian coast. There are small spaces there which are not included, but I think we can reason from analogy from the experience that we have had. There is a survey from Queensland to New Caledonia. That portion there is no question about.

Hon. Mr. Playford.—We do not propose to take the cable that way.

Hon. Mr. Thynne.—But the nature and the cost of laying does not alter very materially so far as our present knowledge goes, and we can adduce the conclusion, that, granted a certain average depth in the neighbourhood of these seas, we should be able to find a route on which to lay our cable without difficulty. We have a complete survey from Queensland to Fiji, and from Fiji to the Phœnix Islands, thence to the Sandwich Islands.

Hon. Mr. Playford.—That is not the route proposed by the Conference.

Hon. Mr. Thynne.—Mr. Playford is taking it as conclusive that we are to follow the route specified at the last New Zealand Conference. He is dealing with the route as if that is the one that would be adopted, although it involves a thousand miles of

extra cable, a proposal which is not likely to be adopted. But whatever route may be adopted, I submit here that we have on this chart, a solution of nearly every difficulty with regard to the laying of the cable in these seas. Take the route surveyed from the Queensland coast to the Sandwich Islands, and there is on this chart a complete record of the soundings that have been taken from the Sandwich Islands to San Francisco. If one has regarded these soundings carefully, the great lessons to be drawn from these figures is the extreme evenness of the surface of the bottom of that ocean. The depth varies only a few hundred fathoms.

Hon. Mr. Playford.—There is one place where there is a fall of 1,000 fathoms.

Hon. Mr. Thynne.—Take the four lines of soundings taken between the United States coast and the Sandwich Islands, you will see that the soundings have been wonderfully even.

Hon. Mr. Playford.—You had all that before the last conference in 1887.

Hon. Mr. Thynne.— There is some question about that. The survey was not completed until after 1887, but be that as it may, there is nothing which will lead us to suppose that the ocean bed a little farther north varies very materially from the ocean bed between San Francisco and the Sandwich Islands, because, taking a straight line north of the Sandwich Islands for over thirty degrees, there is a fair amount of evenness on the surface of the ocean bed. Again, due west of San Francisco Harbour, a series of soundings have been taken, which a cable would touch running from Vancouver to the Sandwich Islands, and there the ocean bed in the centre of that stretch is found to be exactly of the same depth as between San Francisco and the Sandwich Islands. There are only two small portions of that ocean of which we have no information at the present time. I think, gentlemen, that is a matter of great importance, because Mr. Playford suggested that the Conference would simply content itself with taking steps for having a survey made, and leaving it for further conference to decide, after the soundings are made, upon the construction of the cable. It seems to me that that is not going as far as it would be our duty to go at this Conference. It seems to me that, if we want to have this Conference an effective one, we should assume, and I think, with perfect safety, that the route is a practicable one, and that all we need to trouble ourselves with on this occasion is, as to how we can all set about getting the cable constructed. I am opposed to losing much time in getting this cable constructed, and it may, perhaps, be not out of place for me to refer to the fact that there is a cable now to New Caledonia a part of the distance across the Pacific. When we have two other governments, that of France and the United States, undertaking the construction of a cable from New Caledonia to the islands of the Pacific and to San Francisco, one would think it would not be a matter of very great difficulty. They have made soundings, preparatory, no doubt, with the ultimate idea that they would have a cable laid, and it may be, if we lose very much time, or proceed in this matter with faltering steps, that we may find from our own dilatoriness, that the opportunity which is now offered to us, and which may not be offered again, of getting a satisfactory cable constructed, may be gone. I therefore hope that this convention will not content itself with a mere resolution, or even an arrangement as to the mode in which a survey is to be made or carried out, but that we shall go further and leave behind us the question and the difficulty of the route as a mere minor matter which can be easily disposed of when trouble arises. Now a good deal has been said about this cable that it is not safe, that it is likely to be interfered with on account of its being laid through a very wide ocean, that it is liable to be easily cut by any foreign power in time of trouble and war. Well, gentlemen, the view with which we look upon that question is this: if by any means upon a declaration of war, the cable is sound for one week after the declaration of war is made, the people of the British Empire will have been fully repaid the cost of this cable's construction. I believe, myself, taking the estimate which is indicated to us as the estimate of the post office authorities of 1,800,000*l*., it would be worth the while of the Australian Colonies alone to pay the whole of that money, to be sure of at least one week's clear notice in case of a declaration of war. I do not think that the interests of Canada are at all different from the interests of Australia on a question such as that. But with regard to the feasibility of cutting a trans-Pacific cable, I would like to point this out. I was for a considerable time, under the impression that ships of war could easily and readily cut any cable coming within their range, but on making inquiries, I find there is no Power at present which has a ship of war with the appliances with which they can grapple a cable and cut it. The only vessels available for such purposes are the vessels kept for the purpose of repairing the line, and there are no other ships available for that purpose. I may be

wrong; if I am, I shall be glad to be corrected. I have been very much impressed with that view since it came to my knowledge, and I put it forward here as one of the strong arguments in favour of the trans-Pacific cable as a safe cable, as contra-distinguished from any other cable we have to deal with. Though there are a certain number of cable-repairing ships in the world, a very large proportion of these ships belong to the British Empire. The proportion of cable-repairing ships in the hands of any possibly hostile powers are so very few that I think we may safely rely upon our British Navy being able to keep a very good account of these ships and their movements.

Hon. Mr. Playford.—There is one now in New Caledonia.

Hon. Mr. Thynne.—I do not think we need be very much afraid of one ship having power to grapple for these cables. I hope and trust our friendship with France is not likely to be interrupted, but, even if it is, I do not think that the mere fact, if fact it be, of a repairing ship being at New Caledonia is an element that should enter seriously into our consideration of the question here. Now, in our Colony, as I have already said, we have adhered to one continuous line of policy from the very commencement. We have decided to oppose, as much as it was in our power to do, what we have regarded as a grasping monopoly—the Eastern Extension Telegraph Company. As an instance of the way in which they would argue, I think I can quote nothing better than the figures Mr. Playford has favoured the Conference with. I could not help thinking while he was speaking that the South Australian Government has not been fairly treated with regard to the proportion of the charges for transmission of messages over its line when it was left with such a large loss while the cable company itself was admittedly making a very heavy profit. South Australia has not been fairly treated in the matter and while we have all very much sympathy with the Colony, which has shown such a considerable amount of enterprise in constructing that overland line, we cannot help pointing this out that they have been, to use a common expression, "rather got at" by the cable company when making their arrangements as to charges on their land line.

Hon. Mr. Fitzgerald.—South Australia would be considered in the new arrangement.

Hon. Mr. Thynne.—So far as the attitude of South Australia is concerned I have already said it would be ungenerous on the part of any of the Australian Colonies to raise any objection to the attitude of the Government which Mr. Playford has placed before us here to-day. While we have opposed this monopoly and have been extremely desirous of having an alternative cable to the old country we have withheld our assent from all arrangements which nearly all the other Colonies have from time to time entered into, and we stand to-day alone with regard to the charges on cable messages from Queensland to the old country. At least we are charged 9*s.* 9*d.* from Queensland per word at the present date. I am speaking what is a fact to-day, that the charge from Queensland to England for telegraph cables is between 9*s.* and 10*s.* per word The other Australian Colonies are under the impression that they are getting their messages sent at a considerably cheaper rate. I wish to show that the other Colonies are not, because instead of charging the senders of the messages with the full charge which we have to pay in Queensland it is put upon the general taxpayer, and only a proportion of it is charged to the transmitter of the message. Now the arrangements which the Eastern Extension Company have made with the different Colonies are such, that they practically maintain their high and excessive tariff of 9*s.* 9*d.* throughout the whole Australian Colonies.

Hon. Mr. Playford.—They send their cables from Queensland by way of Sydney.

Hon. Mr. Thynne.—I deny that fact. When I send a message, I make the wording as short as possible, because I do object to the payment of such an excessive tariff, unless it is absolutely necessary to do it.

Hon. Mr. Playford.—The majority of your messages go to Sydney, and they are sent at a low rate to Queensland.

Hon. Mr. Thynne.—I think I have already stated as clearly and as distinctly as I can the attitude of Queensland. I do not think I can add anything more. We are anxious to have the cable at the earliest possible moment, and we are quite prepared to pay our full share towards getting it. I forgot to refer to a statement that was made that the Queensland Government were under the impression that there was some international contract for the preservation of cables during the time of war. It was, I think, at the instance of Great Britain herself that there was a fair and distinct statement in the

treaty of March 1884, that it should be clearly understood that the stipulations of that convention should not have any effect upon the rights and acts of belligerents. I doubt whether it would be to the advantage of Great Britain, considering her peculiar position to be embarrassed in the belligerents' right to interrupt any enemy's line of communications. There is no misapprehension of the effect of that treaty on the part of the members of the Government, whatever was the general impression. We have acted with a full knowledge of the true position of affairs, and we are prepared at all times, as at present, to justify the particular course of action which we take. I thank you, gentlemen, for listening so attentively to the few words I have said. I have endeavoured to curtail my remarks, in order to save the time of the Conference.

Sir Henry Wrixon.—Mr. Chairman, My Lord, and gentlemen:—Being, mainly, a legal representative compels me to speak shortly, and leave to my business friends the task of going into detail. I will not pretend to deal with the minutiæ of the subject, but will merely deal with some of the prominent questions which have been developed. In the first place, we, Australian Colonies, ask for the cable; we earnestly desire it, I may say we do that on national and Imperial grounds, more than on local grounds. We Australian Colonies, if we merely regarded our business relations, might get on very well as we are. We have a very good service. It is a little expensive, but, that expense at any time we can reduce by the simple expedient of our different Colonies voting something to the Eastern Extension Company, in consideration of reducing their rates. Therefore, speaking for Victoria, or for New South Wales, or Queensland, if we merely regard our service, and our interests as people, as shopkeepers, I do not know that we are very eager on this subject, on business grounds; but, we are very eager on another ground, which I will refer to in a moment. We certainly appreciate the increased advantage, and the impetus to trade, which would result from the laying of a Pacific cable, because there is no doubt whatever that a cable going through the Pacific, merely from the trade point of view, would be a great assistance, and tend to promote trade. It would enable us to enter into trade negotiations with Canada, and other places. In that view, even in a commercial point of view, we are anxious for it; but, as I said, for the mere purpose of sending mercantile messages to Europe, we are very fairly supplied. What we are really anxious about is the Imperial and national point of view. The question of national defence at once suggests itself. There is no doubt whatever, as has been suggested by my friend Mr. Thynne, that in case of war it might be worth the whole of what this cable is supposed to cost to the Empire and its dependencies if we could for a week, have prompt and immediate information as to the movements of an enemy; and, we know that with the present line of cable, in case of war, communication would most likely be interrupted, almost immediately. In that view, it is of great importance to us, and we feel deeply. Though a distant and far-lying portion of the Empire, we feel that we are part of the Empire, and we dearly like to be sure that in case of difficulty we have a safe and certain means of communication, which we cannot have under the present telegraph system. In that point of view, we are deeply anxious about it. We feel also that great weight is to be attached to the question of its being under English control, and touching only on English soil. As to the details, of course that is a matter that would require to be gone into more carefully. If we can have a cable through the Pacific, touching at Necker Island, which might be leased from the Hawaiian Government, we might be able to have the cable entirely on British soil, and entirely in seas under the command of the English navy. We take that to be a matter of the greatest importance, and we are perfectly willing to contribute our quota. I must confess, Mr. Chairman, that in this aspect of the case, I have been a little surprised when reading the reports of some of the authorities in London. I venture to say that you, in Canada, are more English than the English themselves. Of course, if the English people do not care for this cable communication, it necessarily has its effect in making us not very anxious. When we read the report of eminent authorities, for instance, the report of the Hydrographer of the Admiralty, that the matter is of no consequence, that we are as well without it, of course it is rather absurd for us outlying dependencies, merely children of the Empire, to make any trouble about it, but, with great respect for such an eminent authority, while of course, I cannot pretend to offer an opinion on any strategetic point, still I must say, it does seem to us it makes a very great difference to the Empire, in case of war, whether you have cable communication going through Egypt, or cable communication through the Pacific.

Hon. Mr. Playford.—Egypt is under the control of England, and is occupied by English troops.

Sir Henry Wrixon.—Does my friend Mr. Playford mean to say that in case of our getting into a war with France, or with Russia, that the present cable communication would be safe?

Hon. Mr. Playford.—It would be safe through Egypt at all events.

Sir Henry Wrixon.—I was saying if the authorities in London do not think it of any consequence, and if they do not want a cable through the Pacific for Imperial and national purposes, of course that is an important fact, and we must consider it; but I must refuse to attach that weight to the statement of the Hydrographer of the Navy, which has been read by Mr. Playford. That gentleman, of course, views it from his own standpoint, upon which no doubt he is the highest possible authority, but, apart from that altogether, no man can question but that in case of war, and complication with foreign powers, it would be a good thing for England, and her dependencies to have this cable through the Pacific, free from foreign control. Certainly, the Australians cling to the idea that it would tend to promote the defence of the whole Empire, through which instructions and directions could be sent in case of need. If there is anything of importance to England in having a second cable communication in case of war, then undoubtedly, there is a very great argument in support of the cable. When we look at the enormous sums expended by the mother country for defence, when we are told that there are some 18,000,000*l.* or 20,000,000*l.* to be expended in strengthening the navy, this cable, costing some couple of millions, flashing the intelligence or instructions through, might mean the safety of the Colonies and the Empire. If there is any truth in that view it is a vital question for the whole Empire. But there is another view to which I think I ought to direct the attention of the Conference, and, as to which we, in Australia, feel very strongly. If the matter is now rejected, if England throws the thing over, if England will not assist in the laying of this cable, there is very little doubt but that France will lay it. If it is not done by us, and by the Imperial Government, the whole thing will go into the hands of France, which would be a very serious question for us. There is already the cable from Australia to New Caledonia. I will cite one or two extracts on that subject which show what the intention of the French Government is. I think it will clearly appear that there is a sort of race going on for the Pacific. There is a trade springing up there. New interests are coming into existence, new ideas in the minds of men are being circulated, it is coming within the reach of commerce, there is a sort of race, between France, on the one hand, and England on the other, as to who will have the control in the Pacific, and which power will dominate.

Hon. Mr. Playford.—We have it all now. We have Australia and New Zealand.

Sir Henry Wrixon.—But if you have a cable from Australia to New Caledonia, to Samoa, to the Sandwich Islands, and thence to San Francisco, I would like to know whether that will assist or impair our prestige in the Pacific?—That is what I want you to consider. If this Conference, and if the Imperial Government say: "We cannot trouble about it; do as you like; we wash our hands of it," and if that gets abroad, I believe there are plenty of persons, interested in a commercial point of view, who will take up the cable, under the auspices of the French Government, and carry it through. We have had an experience of that already, with regard to the cable from Australia to New Caledonia. There are plenty of business men, I will not call them commission agents, but gentlemen who partly occupy that position, who would make something handsome out of such a contract. If it were announced that this Conference will do nothing, and that England will not touch it, these gentlemen have a very good opportunity to go to France and say, "Will you now complete what you "have commenced?—You will have it under your control, it will be a French line, be "laid by French ships, and be under French management." It would go to San Francisco, leaving us out in the cold altogether. People may want to make money out of it, and if we throw the whole thing over, they will step in, and will resume with France the negotiations they have already successfully carried on, which would practically leave the whole thing in the hands of France, and really Australia will lose much. In this connection I wish to point out what is being done with regard to the cable from Australia to New Caledonia. This is from the French point of view. I do not at all mean to say that Queensland, or New South Wales, agree to the whole of what I am going to read. I want to show what the Government of France consider they have done, the obligations which they consider they have entered into, with a view of leading this Conference to understand, that if England throws the thing over now, and will not go on, France is perfectly willing to take it up.

There was this agreement entered into between the Government of France and the Governments of New South Wales and Queensland as to the French American cable. Mr. Audley Coote, a gentleman known to most of you by reputation, and to some of you personally, carried on the negotiations, and to complete the matter an Act was required. The matter is explained in a letter, dated the 7th March 1892, by Audley Coote, and in letters addressed to the Postmaster General at Sydney, he says: "Refer- "ring to our conversation some few days ago on the subject of a submarine cable to "start from the shores of Queensland, in the Pacific Ocean, to New Caledonia, as the "first section of a proposed Pacific cable."

Lord JERSEY.—I understand that the company to which reference is made is not in a very flourishing condition, and that it has been reported to our government that there is no chance of its carrying out its hopes, unless, of course, the French Government comes to its rescue.

Sir HENRY WRIXON.—I know nothing of this particular company; it may succeed, or it may fail, but, what I want clearly to point out is this, that the Government of France undertook to pay two-thirds of the cost of laying this cable from Australia to New Caledonia on the distinct understanding that it would be the first chain or link right across to California.

Hon. Mr. SUTTOR.—They did not undertake that responsibility. France, and the others, contributed between them 12,000*l.*, not as a subsidy, but as a guarantee.

Sir HENRY WRIXON.—That I quite understand. I say that the Government of France clearly entered into this undertaking on the understanding that it was to be the first link in the chain across the Pacific to California. Can anybody doubt that? If we practically throw cold water upon this, France will step in and take advantage of the opportunity.

Hon. Mr. PLAYFORD.—I do not think she will. She has not interest enough. She has only New Caledonia.

Sir HENRY WRIXON.—I am going to read extracts to show that the French Government throughout regarded this as a link across the Pacific, and they so put it in their own acts. Of course, if England will do it France will be forestalled; but, if you throw it over indefinitely France will take it up. See what the agent or the promoter of this company writes. He addressed it to your government, Mr. Suttor. He says: "It is the first section of the proposed Pacific cable." In the agreement signed by Audley Coote, and the Postmaster General of New South Wales, it is said: "The said "cable shall form part of the main Pacific cable, connecting Queensland with Vancouver, "San Francisco, or other places in North America as may be hereafter determined." That is the agreement that France entered into.

Hon. Mr. FRASER.—That is with a French company.

Sir HENRY WRIXON.—Undoubtedly, it is a French Company, that is what I say. The French Government in the explanation of the Act authorizing the cable to New Caledonia recited that the company had succeeded in obtaining exclusive landing rights for Queensland, as well as the financial assistance of that government, and New South Wales. That is incorrect, I believe, but this is what the Government of France understood, and they informed their legislature that in entering into this agreement they got the exclusive landing right in Queensland. Then they go on in the bill to state, in the second clause or article, that the French company, which possesses the landing rights for the territory of the Queensland Government, undertakes to lay the cable and have it open for work on the 22nd September 1893. The society undertakes to maintain its headquarters in France, to have only French directors, to have the cable made in a factory situated on French territory, and to guarantee the submersion with a French ship, with a French staff, and any disputes that arise between the company and the Australian Government are to be determined by the French Government. I say the effect of the whole of that is to show that France paid, or entered into an undertaking to guarantee, two-thirds of the business of this line from Australia to New Caledonia, on the distinct understanding that it was to be the first link in a Pacific cable, and that that cable is going through to either San Francisco, or to Vancouver. Therefore, I say, we are face to face with the question of whether we take it up, or France. If you throw it over, France will step in not merely through national motives—though I believe they would be actuated by national motives—but because they are business men. Directly they find that nothing can be got out of England they will go on negotiating with France, and they will try to lay this cable, leaving it entirely in foreign hands,

and under foreign control. That position, we, in Australia, would regard as a great misfortune. We think the Pacific ought to belong to Englishmen, or the descendants of Englishmen; we wish them to dominate over that ocean. We feel that this proposal, if rejected, would practically enable France to take up this cable business. It is a national question for us, and for the whole Empire. We feel that we ought to support it, even if it costs something to carry it through, even if there is a loss. That is exactly our view. Of course, in a commercial view, we think it will promote trade, that we might have cheaper messages. The Imperial view or national view we regard as important, but, if we can, we want to prevent any other nation from becoming dominant in the Pacific. If this Conference throws the whole thing over, you will throw it into the hands of France.

Hon. Mr. Foster.—Does the French Government give a direct subsidy, besides a guarantee of business?

Sir Henry Wrixon.—No, they guarantee two-thirds of the business, and the Australian Colonies of Queensland and New South Wales guarantee the other third, and the whole thing is in the hands of France. As I have read, the cable is to be laid by French people, to be laid by French ships, and in case of any dispute the whole thing is referred to the French Government.

Sir Adolphe Caron.—The French Government guaranteed 300,000 francs per annum.

Sir Charles Mills.—How can they get on unless the Australian Colonies co-operate? Surely they have it in their power to turn their backs upon it, and the whole thing is dished.

Hon. Mr. Suttor.—The position with regard to the French Government and the Colonies is this: Queensland and New South Wales contribute 2,000*l.* each, and the French Government 8,000*l.*, but because of that contribution we have the free use of the line until the tolls reach 2,000*l.*; beyond 2,000*l.*, of course, we pay; the governments have the free use of the line up to the amount of the subsidies. I take it for granted that the French Government has the same privilege we have, of sending messages through to New Caledonia up to the limit of their guarantee, which is 8,000*l.* We are getting good value for the sum of 2,000*l.*, because there is a considerable business done between New Caledonia and New South Wales, even from a government point of view.

Sir Adolphe Caron.—I ask merely for information, because I do not read this part of the agreement in the same way that my honourable friend Mr. Suttor does.

The French Government agrees to assist, by guaranteeing to the Society (with the co-operation of other governments), an annual income of 300,000 francs, but their share shall not exceed two-thirds of the whole amount, viz., 200,000 francs. The Government of Queensland and New South Wales agree to guarantee the remaining third part, viz., 100,000 francs, and it is agreed that their share shall not exceed this amount.

The President.—Read the guarantee which follows.

Sir Adolphe Caron:

The guarantee of the French Government, which shall not exceed 200,000 francs, stipulated in the first paragraph of this article, will be applied solely to the payments of interest, and the redemption of special bonds to be issued by the Society, for the purpose of raising the necessary capital for the establishment of the Australia-New Caledonia cable and the mode of application shall be drawn up in the usual legal form.

Sir Henry Wrixon.—I may be allowed to say a word with regard to what Sir Charles Mills has interposed, because he makes a very pertinent and very natural query. He says, "Why need you argue that; you Australians can always prevent it." What I want to point out is this, and I am convinced I am right in what I am saying. We are all in favour of England having supreme control on the Pacific, we regard it as essential to our rights, and to our existence as a nation, but if England takes the position of the Hydrographer for the Navy, who says he does not want the cable, which is no use to him, and if England means to say it is no use, we are thrown back upon some other line, and, however we might personally deplore it, the result of your throwing cold water upon this, and of the Imperial Government saying they will have nothing to do with it, will be that business men will not miss the opportunity presented, and there will be skilful agents negotiating between the United States and France, and they will carry the cable through.

Hon. Mr. Fraser.—And Honolulu.

Sir Charles Mills.—But the British Government has never said that.

Sir Henry Wrixon.—But the Hydrographer has said so. If you adopt the tone of that eminent authority in London, who says that it is no use to the Empire, that it is no use for defence, and that, in addition to that, the English mercantile community say they do not want it, the result will be that the thing will be thrown into other hands. We, in Australia, dearly cherish the idea that England should control absolutely in the Pacific, and that result will be imperilled. That is my argument. See how quickly France took up the New Caledonia cable. I am convinced I am right when I say, if the feeling in England is to throw the whole thing over, and this Conference is to throw the whole thing in the background, some one else will take the matter up and make a good thing out of it, because there is a growing trade in the Pacific. It is growing up imperceptibly. Men often cannot notice what is going on around them. There is now going on in the Pacific a growing traffic from point to point, and if we cultivate it and develop it, it will continue to grow. If this Conference does not take the thing up, you will find somebody else will. I cannot go into the business details as my honourable friends will, but I have stated the broad ground I want to put it on. I do not want to see the Pacific handed over to French control. I think it would be most unfortunate to have the cable running through the Pacific under French control. I quite admit that the case of South Australia should be considered.

Hon. Mr. Fraser.—That is, providing she does not oppose our wants.

Sir Henry Wrixon.—My feeling is, that, as a matter of justice, something ought to be done. Certainly we are faced by difficulties. Undoubtedly, as Mr. Playford has said, there has been no survey made, and that really seems to be a matter as to which we may have some cause of complaint with regard to the Imperial Government, because, in 1887, all of the Colonies agreed in a request that a survey should be made. 1887 is a good while ago, and nothing whatever has been done. I think that is some cause of complaint. Something might have been done, because, unquestionably, it raises a difficulty now, because we do not exactly know the route.

Lord Jersey.—I think there has been a little more surveying done than Mr. Playford says. I have references here which show that the surveys have been a little more extended.

The President.—We complain that they stopped them.

Lord Jersey.—They surveyed in 1888 and 1889; there is a general survey up to the Phœnix Islands.

Hon. Mr. Playford.—I admitted that.

Lord Jersey.—But not being quite so complete as requested at the Conference.

Sir Henry Wrixon.—From Necker Island to Vancouver it is a blank.

Hon. Mr. Thynne.—Not quite.

Sir Henry Wrixon.—I admit that is a difficulty, but still it seems to me we might arrive at a resolution contingent upon the final settlement of a route, a resolution which would define our different liabilities. I do not think it is absolutely necessary we should fix the route, though I would prefer, as a matter of business, that we should know exactly the course of every mile. But, now that we are here, though I hope there will be many future conferences, still we do not know how soon we will meet again; and I think we might pass a contingent resolution, defining the responsibility that England, Canada, and the Colonies would respectively be willing to undertake. We might do that without absolutely fixing the particular line of cable. I hope we will be able to do something of the kind. If we do that, then it will be material that we should consider what should be the rate of contribution. It has been suggested that England should bear half, and Canada and Australasia each a quarter; but my honourable friend Mr. Thynne has indicated in his resolution that he is prepared to go further than that. I am not in a position to absolutely pledge my government, but I think there will be very little difficulty in defining it in the way he proposes, viz., England one-third, Canada one-third, and Australasia one-third. As we are here in private, as regards the press, I feel free to express my opinions. I do not think it possible to carry out this project unless the Imperial Government takes a part. I do not think it would be possible to do it. The Australian Colonies are prepared to take a share, but, if the Imperial Government did not see its way to take part in it, I do not think that it would go on. More than that, I do not think it would be just that it should. If the cable were constructed, undoubtedly it would be more used by England, and by the business men of England, than by Canada and the whole of

Australasia put together. I believe it is a well-known fact in mail and telegraphic matters, that more goes from the centre to the circumference, than comes back from the circumference to the centre. That, I believe, is well known. If we had the cable from Vancouver to Australia, it would be more used by the merchants of England, and more matter would go out from England to the extremities, than would come back from the extremities to England. Therefore, I think it would be unjust to suppose that Australasia and Canada alone should shoulder the undertaking. I am merely expressing my own opinion. I have no definite instructions from our government on the point, but I have no hesitation in expressing the opinion that, if the Imperial Government does not see its way to take part in this enterprise, I do not think it possible for it to go on. I imagine, however, that we could accept the proposal of my honourable friend Mr. Thynne, and each take a third. As to the question of one cable or two, I think that is a mere difficulty of the future. The question is, now, shall we lay one cable? If we do, I believe we would find a growth in the volume of trade that would warrant a second cable. I do not think Mr. Playford is right in saying that we should not make one, because if we made one we would have to make two. You begin with one cable; when it develops a business which necessitates it, you can make a second. As I understand it, if you lay a cable in very deep seas, you are very much safer than in shallow seas. Therefore, it might be possible that you could get on, for some time, by using one. At all events, it is not a fatal objection. The main question is the one in respect to the control of the Pacific, and whether this Conference is going to throw the whole thing over. If that is done, I believe it will go into the hands of France.

Lord Jersey.—It seems to me the question of strategy is one which should be left to the military and naval authorities to decide. By your argument, the Imperial Government would be obliged to take up their position upon that point, but it seems to me that it is of importance to ascertain from the representatives of the Colonies their views, first, as to the importance of the cable from a commercial and Imperial point of view. Next, are they in favour of the principle of a cable from the Colonies to Vancouver and so to England under British control? Then, are they prepared to assist in the expenses connected with making a survey? Again, should the survey be favourable, are they prepared to pledge their respective governments to share in the cost, and if so, to what extent? I gather from what Sir Henry Wrixon has said that the idea is a *pro rata* share. These are the questions I must press upon the delegates and ask them for very clear indications on these points, so as to assist me in the duty that is before me. Of course it is not my duty at the present time to present any argument upon any of them.

Hon. Mr. Forrest.—I discussed this question before us to-day with my friend Mr. Thynne, and it came into my mind whether Mr. Thynne should add to his notice of motion that a survey would be undertaken, the cost to be borne in the same proportion as the proposed cost of the construction of the cable.

Lord Jersey.—It is not unlikely that the Imperial Government, before they undertake the survey, would wish to know whether there was something to be done after the survey was made. They could not undertake the survey merely on the chance, leaving it open to doubt, even if the survey were favourable, as to whether the line would be constructed then.

Sir Henry Wrixon.—There is only a small portion of the survey incomplete.

Lord Jersey.—There is a larger proportion completed than what is sometimes stated.

Hon. Mr. Thynne.—I think the question of the completing of the survey is merely a small matter, and is included in the general work which I was advocating the Conference to adopt. It would come naturally within the resolution of which I have given notice. I did not treat the cost of the survey as separate matter as between the cost of construction.

Hon. Mr. Fraser.—After the points have been so well put by my colleague, Sir Henry Wrixon, I need not detain you for more than a few minutes. Of course my opinion is, and I hope the opinion of the others is the same, that before we came here we thought that the British Government had undertaken the survey long ago. It was assumed by our government that the British Government could not go back on its promise to complete the survey. Never did I think for a moment there would be any difficulty about that. As Sir Henry Wrixon has said, our government is most anxious about this matter. There is not the least use in cultivating trade relations and sending

steamships abroad on the ocean between Australia and Vancouver, unless we fill the distance by cable communication. There is not the least use.

Lord JERSEY.—Of course, you understand that I could not pledge the Admiralty to undertake the cost of the survey. That might be quite possible though, as they have got the ships.

Hon. Mr. PLAYFORD.—The British Government never made any promise to make the survey.

Hon. Mr. FRASER.—It was understood.

Hon. Mr. PLAYFORD.—No, they did not make any promise.

Lord JERSEY.—No definite line was laid out.

Hon. Mr. FRASER.—It certainly was understood by me that the British Government was to make the survey. I know I have read letters and correspondence on the subject, and letters of complaint that the British Government were very dilatory in the matter. That I am positive of, but whether these letters were justified in the tone adopted I am not going to say. I am certain I have letters here, showing disappointment at the dilatoriness of the survey.

Lord JERSEY.—I believe I am correct in stating that the line taken by the Admiralty was, that there was no direct route laid down for that survey, and that there was not very much use in carrying out a survey till a route was adopted.

Hon. Mr. PLAYFORD.—Sir Henry Holland never promised the Conference that a survey would be made.

Hon. Mr. FRASER.—The position is that the South Australian Government does not wish to run the risk of a competing line. I am quite sure when the time comes South Australia will not complain of the way she is treated by the Colonies in this matter. Now, I am a common sense man, and I have been looking at this survey on this chart, and it appears to me singular indeed that the survey from 'Frisco to the Sandwich Islands shows the ocean bed to be extraordinarily even. The bottom is even beyond what one would possibly expect, and the drop that Mr. Playford mentioned rather alarmed me, but when I look at it, it is not so serious. It is not a drop at all, it is a rise.

Hon. Mr. PLAYFORD.—Then I suppose there is a drop somewhere.

Hon. Mr. FRASER.—I am pointing out the perfect evenness of the bottom, according to this survey. There is a very gradual rise of a thousand fathoms on both sides. There is no quick drop. It is perfectly even grade for long distances, and will not in the slightest degree whatever interfere with the laying of the cable. The depth is remarkably even, and I hope Mr. Playford will withdraw that statement about the drop. My friend having made so much out of the drop, I am afraid the other arguments used are all in the same line, that perhaps the wish is father to the thought, and, therefore, while gentlemen of the Conference will, I think, give the greatest respect to Mr. Playford's statements as far as data and facts are concerned, his arguments have gone further than is justified. The Government of Victoria is prepared to take its proper share of this at any time, notwithstanding the fact that we are passing now through the severest depression Australia has ever known, but we will get out of this with flying colours very shortly. Still, while we are under this depression, as Mr. Thynne and Mr. Forrest say, we have no hesitation whatever in coming to an agreement upon the matter so far as it can be agreed upon. The survey from 'Frisco to Honolulu being so very favourable, is it not to be assumed, that the remaining distance will be favourable also? I think so. Therefore I do not know that it is a serious matter that Mr. Thynne or Sir Henry Wrixon states. Let us pass the motion and get a step forward, if we can, because it is utter folly for gentlemen to come from the other end of the earth here to meet together and do nothing that will be satisfactory to ourselves, or to the Colonies we represent. I, at any rate, would be sorry indeed to return to Australia and find that I can give a very poor account of what we have done. I am determined, at some risk, if possible, to leave some resolution behind us that will clearly urge the British Government to take part in this proposal. Of course, I admit at once, that we are the persons perhaps most concerned in the matter because we in Australia are on the outside rim of the world and we are very anxious about our Imperial connection. We are very anxious that our cables do not run through foreign countries; when they run through foreign countries, they can be easily interfered with, and we are apprehensive that in time of war we would be from a week to a month without any communication and perhaps be swept down upon by some foreign Power

and not be prepared to defend ourselves. I remember well when the scare was, when we did not go to bed until small hours in the morning. I remember when we thought a Russian warship was coming down upon us, there were very serious thoughts in Victoria over the matter; and I quite support the statement that, were we without telegraphic communication at a time when war was imminent, we would not hesitate to spend millions of money rather than be without communication. Although we are under depression just now, we are remarkably wealthy. We can cut down our estimates by hundreds of thousands should the occasion arise for doing so. So, if there was imminent danger in our Colonies, I say we could very soon provide for the expenses necessary in this matter. Alone we could do it, but as the interests of the Imperial Government are certainly more than our interests, and her immense wealth in the shipping interests, it puts a responsibility upon her of doing her share in an Imperial matter like this. Of course the important point is, if something is not done shortly, some other Power will construct a cable and we will be left out in the cold. We do not know what possibly may take place. On the Pacific Ocean traffic is increasing month by month and year by year. The "Empress of Japan" the day that we landed in Vancouver brought in 30,000 boxes of tea. They never dreamed of such a thing a year or two ago, and this tea was principally going to the United States. Of course we want to have our British ships on the ocean that are available at any time, and especially in time of trouble. We are anxious to know that our cargoes, when they leave us, will be landed safely in England; unless we have this surety, we have to pay high rates of insurance which largely destroy the whole trade. Now is the time for looking for this means of reducing that, and there should be no trouble or no reason why we should not disregard a paltry sum of one or two millions, when the only thing that stands in the way is a survey. Can nothing be done to hasten that? We ought to hasten it. Of course, we cannot begin to let the contract for the construction of the cable until the survey is completed, but then something should be done to impress upon the Home government the necessity of haste, and I am sure Victoria and Queensland will do so.

Hon. Sir Adolphe Caron.—How long do you think the survey will take?

Hon. Mr. Fraser.—Of course, that is a question we do not know The Colonies have no means to make the survey.

Hon. Sir Adolphe Caron.—If England undertook it, how long would it take?

Hon. Sir Henry Wrixon.—It is estimated by the Admiralty that it would take three years to make one survey with one vessel.

Hon. Mr. Fraser.—It does appear to me rather strange that there is always some difficulty turning up. As a purely business man during my whole life, it does appear to me very strange that, whatever course is taken, something will turn up to impede the progress of this matter. It is not long ago since there was some correspondence on the subject. No sooner had the correspondence appeared when the Eastern Extension Company began to wield their enormous influence. I am not going to say that they are not justified in using that influence. Business men are the same all over. They are trying to put money into their own business concerns, and perhaps they are justified in trying to oppose any other rival company, but in this case something has always cropped up in some mysterious way at all times, but we have had gentlemen who are anxious to promote this cable, and the part which they have taken is creditable to them. I hope the opposition will cease in the future. The Eastern Extension Co. do not appear to think that the difficulties are insurmountable at all just now. I believe they will be quick to accept a subsidy of 190,000*l*. I believe, from past experience, that the statements of Mr. Sandford Fleming will be borne out. He has gone carefully into the matter some years ago, and the prediction which he made with respect to the business on the present line has been borne out in a very surprising manner indeed. I may say that the Wellington resolution does not carry much weight in our Colony at any rate. They do not look upon it at all as compelling them to act in accordance with the terms of that agreement. There is only one opinion, namely: that the line should be undertaken as speedily as possible from Vancouver to Australia and through British territory, if possible, at any rate under British control. There should be no hesitation about that. I do say that the Eastern Extension Company's balance sheets, notwithstanding that there are three-quarters of a million in reserve, show they have paid on the whole, about 9 per cent.; and you must take into consideration the fact that a million and a quarter words would pass over our lines. I think naturally the greater bulk of that business would go over the new line if the Government took it in hand. I was of the other opinion on leaving, but I am now of

opinion that it would be in the interests of Australia as well as Imperial interests also, as well as to Canada, if they took this in hand. I am quite sure of that now, after considering the matter carefully. It would be much to the interest of all concerned if the Imperial Government, the Dominion of Canada, and the Australian Colonies undertook the matter. The work is a heavy work, yet it is simple. I have been a railway contractor for a great many years, and in this contract, the contract would be for the making of the cables and the laying of them. It is not a very serious matter, and I hope your Lordship will press that view upon the Imperial Government. There is one point in connexion with the Eastern Extension Co.'s figures and that is, they are the manufacturers of their own cables. We do not know how much they debited to construction for these works. They manufacture their own cables and they may debit construction with very large sums, and net more profit then we see on the face of their balance sheets. That is another point to be considered. I think there is every prospect of the line paying after a few years and I hope this resolution will be passed.

Mr. Lee Smith.—As one who, by calling, is as much interested in this question as any other, I should have endeavoured to speak before, had I not been desirous of hearing the views of some of my neighbours from Australia. I listened with very great attention, in the first instance, to the opening remarks by the Hon. Mr. Suttor, and I can cut matters short by saying that I totally agree with everything he said. I now pass on, sir, to the question of South Australia. I recognize very fully that the position of South Australia is quite different from the position of any other Colony. South Australia, before the time when telegraphy was as well understood as it is at present, incurred a very considerable risk in opening up a line of communication with Port Darwin, and thereby completing the connection with Europe. Mr. Playford has very carefully put before us the risk that his government undertook, the amount of money they invested, and the loss which has been proved to have taken place since it was opened. As a representative I could not justifiably advocate any steps being taken here which would, in the slightest degree, do an injustice to that Colony: my Colony recognizes what South Australia has done, and I trust the representatives of every other Colony of Australasia will do the same. We come here for the general good of Australasia, recognizing that it must necessarily be in the interests of all the Colonies to see that no injustice is done, and no wrong, to a Colony which stands as the pioneer of Australasian telegraphy. With regard to that, I will say no more. I will now pass on to the two aspects, from my point of view, that this question assumes. First of all, there is the Imperial aspect, and then, the commercial aspect. So many gentlemen have dealt with the Imperial aspect of the question that I do not think I need occupy your time more than a few minutes in recapitulation of the remarks which have been made, more especially so exhaustively by my friend Sir Henry Wrixon, who has gone into the question in a manner which shows that he has a perfect grasp of the whole situation. It is needless for me to say that, should we be involved in war with any European Power, there are many points of attack in connexion with the present cable, and a corresponding number of chances that our communication with Great Britain would be cut off. On the other hand, we know that the Pacific cable could be laid through waters, and in a manner, which would leave very little risk of any indication being left of where the cable was, and, under any circumstances, it would be so far away that we would have an opportunity of keeping up communication with Europe, for, at least, a week, a fortnight, or three weeks, after declaration of war. The advantage of that has been very ably put forward by some gentleman who has preceded me. That, to my mind, would be a repayment of any risk we incurred. We would thereby be enabled to put our house in order, and make the necessary preparation for defending ourselves, which we could not do with communication cut off. I will leave the Imperial aspect of the question with those few remarks; but I do trust that Lord Jersey, the representative of the Imperial Government, will take a careful note of what is being said by every gentleman as to the Imperial aspect of the question, and that he will do us the justice, that I have no doubt he will, in bringing before the Imperial Government the unanimous manner in which we all regard the Imperial view, and that, if the British authorities have not yet realized that the Australian Colonies are determined, under all circumstances, at any cost, to keep their contact preserved, it is time that the British authorities took some other steps at arriving at that important result. Now, sir, I pass on to the commercial aspect of the question. Several gentlemen have spoken about the service between Australasia and Great Britain; some of them have said that the service is good. I have no doubt, sir, as a general rule, that the service is admirable; that is, so far as London is concerned, but with regard to the service between Australasia, Canada, and the United States, I am here to say, notwithstanding what the Hon. Mr. Playford has said, that there are innumerable delays. Telegrams

generally leave our Colony, and I dare say my Colony is typical of the rest of the Colonies, in the evening. When we have completed our day's business, we send off our London cables. Those cables to London get in, as a rule, about 11 or 12 or 1 o'clock the next morning, mid-day, so to speak, of the next day. That is, our midnight, or after midnight. We get replies next morning from 11 to 12 o'clock. But I have observed from my experience, and I have learned from many gentlemen engaged in business, that it is invariably the rule that it is the day after that when Canadian or United States replies come to the messages we have sent the day before. Although it may look to be a minor point, we all know that the utmost despatch in the delivery of telegraphic messages is of paramount importance to commercial communications. I will show you how. I have been interested very largely at times, not so much now as in the past, in grain operations, and we have at times cabled to London and to America simultaneously. And upon the reply from those places I have made my operations depend. That is to say, I might send a message to London, and another to Chicago, to buy some California or other wheat. I might ask for offers. The next morning a reply comes from London, "We can do you California at so and so." I have to wait until the next morning for a reply from Chicago. There will be, very likely, a variation of a few cents a bushel. I have to wait from 12 o'clock, at night until 10 or 11 next day before I know whether or not I shall accept the London telegram. That involves risk, as there may be some speculative excitement going on, and before you get your Chicago answer, the London market may have moved off, and between the two stools you may fall to the ground. That may look to be a very small matter; but, there is a very large business done in Australia and New Zealand in grain operations with London and the United States. It is of the greatest importance to us to have as quick communication as we possibly can between points where we are doing business. Now, I have done with the commercial aspect of the question to that extent. But, there is another view I take of this subject. I regret to say that, to my view, the whole of this debate has taken a wrong direction. I do not wish to appear antagonistic, as I am afraid some of you may think, but, as a business man, I feel that we have proceeded on entirely wrong lines. We have begun debating as to routes, we have begun talking as to depths of the ocean, as to surveys, we have been discussing whether it shall go to Honolulu, or Fanning Island, we have been speaking about the French cables, and generally going all round the compass, without coming to the great question, as to whether this cable is, or is not, advisable. As a business man, if I wanted a small cable, of a few miles in length, or a small piece of road, or a canal cutting, I should not proceed in this way. I should bring together experts, and I should say to them, it is imperative for my necessities that there should be a certain thing done. I would have a definite line of action. I would not complicate the action by any side issue. I would go to the expert, tell him it had to be done, and find out the best and quickest way in which it could be accomplished. I would leave the expert to find that out. It would have been better for us to have proceeded to business in that way, by passing a resolution as to the desirability of carrying out a cable to Australasia, and then by a further motion deciding how it should be done. Several gentlemen have spoken of the advisability of the Governments of Great Britain, of Canada, and of Australasia, taking this thing in hand as a government speculation. I totally disagree with that suggestion. Provided we are unable to find some large company, either the Eastern Extension Company, or private individuals, willing to come forward, being guaranteed assistance in some form or other, it then becomes a question whether we should not at once take the subject in hand as a national concern. Recognizing, as I do, the necessity, the imperative urgency, I should be at once prepared to advise my government, and I believe my government will agree with me, to join in the carrying out of the cable on those lines; but, sir, it must be on the failure to carry it out on the lines first suggested. A number of gentlemen have spoken about the Eastern Extension Company, and they have spoken as though there was a feeling of animosity against that company from the fact that they have a monopoly. Gentlemen, it is the result of their own enterprise, and the risk they took. I say, all credit to them. It would be a monstrous thing, in the Conference, if we should say anything bitter or antagonistic of a company that has shown such enterprise. It would not be worthy of us. The Eastern Extension Company have done nothing which would warrant this Conference in saying anything against them. The company is composed of business people; they went into a speculation which involved great risks; the result, no doubt, is, that they have made a considerable amount of money. They may—as has been suggested—have manipulated their accounts, and I suppose they may have done what many other business corporations have done, watered their stock, as many do in

a similar position. It is a thing which is commonly done. It is no use of our trying to be too particular about these things. However, putting all this aside, the Eastern Extension Company have served the Colonies well, and they are entitled to all credit; at the same time, my regard for the Extension Company does not lead me to wish or desire them to occupy that position any longer than is compatible and consistent with the welfare of the Colonies, and Her Majesty's Empire at large. Acknowledging, as we all must acknowledge, that there is a risk, I hope at some very remote day, of being at war, we must admit that it would be to our advantage to have a double service. That is the view which should be pressed upon the Imperial Government. Sir John Pender wrote a letter in which, I think, he contests the feasibility of carrying out the work, or of there being a profitable future, all of which I think he gives away in the latter portion of his letter in saying that he would be very glad to co-operate with us in the building of it. If Sir John Pender, or any company, will come forward and say to this Conference, or say to the respective governments, that they are prepared to carry out this cable on certain terms, I should say, give it to Sir John Pender as readily as to anyone else, provided the conditions are such as to preserve, for all time, the right of the British Government, or the Australian Colonies, or Canada, to have control over the cable, the right to purchase it and every safe-guard against its being used prejudicially as a monopoly. That is my view of Sir John Pender's position. His company would be just in the same position as any other company. With regard to the extension of business, Mr. Playford has said that there would be no possibility, or probability, of there being any extension of business.

Hon. Mr. Playford.—No; I said no very large extension.

Mr. Lee Smith.—Any material expansion, that is to say, sufficient to warrant the great expenditure. Let me give you a short illustration of what is being done between New Zealand and New South Wales. This leads me to remark that Mr. Fraser stated that we must take no account of the Wellington Conference.

Hon. Mr. Fraser.—I beg pardon. I must not allow that to be noted. I said they were highly respectable men. The Postmaster General was an intimate friend of mine. I do say that our Colony does not look upon that resolution as of any binding importance to them.

Mr. Lee Smith.—I have no desire to misrepresent my friend Mr. Fraser, and, possibly, my saying this will correct a wrong impression. My impression was that he said the Wellington Conference did not carry any weight. The Honourable Mr. Ward, the Postmaster General, I have no hesitation in saying, is as clever a man, in a commercial sense, as there is in the whole Australian Colonies. He has proved himself so, not only by his conduct of his private affairs, but also by the manner in which he has conducted himself as Postmaster General and Treasurer of our Colony. That honourable gentleman, recognising that the telegraphic business between New Zealand and New South Wales was not carried on on such commercial lines as would induce the largest possible amount of business, and also recognising, as I recognise, that a cable should be as much employed as possible, day and night, made one great plunge and proposed to the New South Wales Government that there should be a large reduction in the cost of cabling between New Zealand and New South Wales. The New South Wales Government saw it, they agreed with him, and he at once made terms with the Eastern Extension Company to reduce the cost per word—and these figures are worthy of note—from eight and sixpence to two and sixpence. The people of our Colony thought he was doing a very rash act, but he was a clever and a far-seeing man. The result was the business at once increased 84 per cent., and the decrease in the returns was only 25 per cent. Next year, the returns will not only be very much increased, but the result will be that there will be no subsidy to pay, as it was the terms of the arrangement made with the Eastern Extension Company, that in case there was a loss it was to be made up. I believe, as some others believe, that the days of telegraphy are only in their infancy. I believe if we had a cable right through Canada to Great Britain, and have our communications carried at three shillings a word, and ultimately at much less, we would bring about a system of what I will term domestic communication. At present, communications passing between New Zealand and Australia and London refer almost exclusively to business questions that involve great issues, but there are a number of messages now sent from New Zealand to Australia and *vice versâ* which are entirely of a social character, and of no great importance,—simply congratulatory messages of one kind or another. The day is coming, and I believe not far distant, when we shall find that our people in Australasia will communicate with Great Britain much in the same manner, in regard to private matters,

as we do on business matters. The usual rule is, for business men, in the evening, to telegraph in place of sending letters. No doubt it is prejudicial to the cultivation of letter-writing, and you are apt to mangle the whole thing, but the fact remains that you get communication quickly and easily. I do not think I need take up the time of the Conference longer. I have endeavoured to put before you the commercial view of the question, and I think I have done so in a manner which will show to you that the whole of the Colonies could, justifiably, give any company, even the Eastern Extension Company, some help in carrying it out. My view is that that ought not to be subsidy; it should be a guarantee. Supposing the cable cost 1,800,000*l.*, and there was a 4 per cent. or a $3\frac{1}{2}$ per cent. rate of interest, the Imperial guarantee, or the guarantee of the several Colonies, would involve something like 72,000*l.* a year; that should be divided between Australia, Canada, and the Imperial Government. I believe, inside of two, three, or four years there would not be one penny to pay, notwithstanding all that has been prophesied by Sir John Pender, and all the others who have spoken of the impossibility of getting anything like a return from the construction. Of course, the cables in Australasia are unoccupied, at least four-fifths of the day. We want to look forward to the cable being in operation day and night, the same as land telegraphy. I shall conclude, sir, by saying that we should not bother ourselves at all about routes at this time. We have no survey, we have nothing to go upon. There is no use talking about whether it should be Fanning Island, or Necker Island. The grand thing is, let it be known that we are determined to have a cable, and then we shall find plenty of companies, or private individuals, who will say, "Give us a "subsidy, and we will put you down a line, we will guarantee it for so many years, "we will give you control of it, we will give you a purchasing power, and do every-"thing that is necessary to have it as much under you own control and command "as though it belonged to yourselves." I do not think my Government will be agreeable to assisting in this cable unless it be to a company, or to a private syndicate; but, as a last resort, I believe that they would agree with the proposal made of joining as a Government, but not until every other way of carrying it out had been exhausted.

Hon. Mr. Foster.—I have listened with the greatest of interest to the discussion. While I have my own views upon the subject, yet, I am neither prepared to speak nor vote at present. What I would propose is, after the Australian gentlemen have exhausted their right to speak, to let the question lie over, and take up other business, until the Canadian delegation have an opportunity of talking the matter over amongst ourselves. It is the only thing that can be done, because if one votes for this resolution, absolutely he binds himself as to ways and means. We cannot stand up and say it is desirable that a thing should be done in the interest of the Empire without being prepared to go ahead and do it, and expend our share in doing it. That involves a question of ways and means, about which a little consultation will have to be had. I do not think it will delay matters. As soon as we have had an opportunity for consultation, some one will give the views of the Canadian delegation.

Hon. Mr. Fitzgerald.—The three questions put to us by Lord Jersey are very practicable, and we, from Australasia, ought to have no difficulty in answering them. Speaking to the first question, if a report should be made that Imperial interests are not concerned in the construction of an alternate cable route, we will be very much surprised. We feel that this is much more an Imperial question than one of trade between Canada and Australia. We feel the deepest concern in everything that affects the safety of the British Empire, and the progress of every portion of the English domain. We also are grateful to the pioneers—the Eastern Telegraph Company—who, with such enterprise, have brought us into communication with the mother country; we owe them a great deal, and hope they have made the profit they deserve. We are highly indebted to them, and, it is not in the slightest degree to injure their trade, nor in any way detracting, from the credit which we think they deserve and have earned for their enterprise, that we ask for this alternative cable. We feel, not on the grounds of sentiment, that there must exist in England, not as a return for the loyal devotion which we entertain and are always glad to express, that our trade with the mother country deserves this recognition. We consider, whatever may be urged to the contrary, that the present line of cable communication is not satisfactory. We say that that alternative cable line should be made and that it ought to be under the control of British influence, and British influence only. When it touches foreign soil, should there be, unhappily, a disturbance in Europe, the safety of cable communication is at once endangered. We think that, at points in the Mediterranean, it is in danger. It

is in danger in Egypt, and it is decidedly in danger as it passes through Portugal. In addition to our attachment to the old country, and our yearning for news, in case of disturbance, we feel that our trade relations deserve attention. The commerce of Australasia in 1881 was one hundred and one and three-quarter millions sterling; in ten years, that jumped to one hundred and forty-four and three-quarter millions. Our wool trade in the same period, between '81 and '91 jumped from sixteen to twenty-four millions. Had the price of wool continued in '91 as high as it was in '81, that twenty-four would have been nearly forty. Our trade in wool alone would have been forty million pounds sterling. The commerce of Australasia with the United Kingdom comes fourth in order of nations. A commerce so vast, while increasing competition in the old world affects England so closely, we say with confidence, deserves that attention should be given to the request which we now emphatically put forth. We are endorsing the action taken by the Imperial Conference in 1887, and I confess that public men in Australia regard with some amazement the little attention which the resolutions arrived at by that Conference on this subject have received. We do not admit, as regards the survey, that it was not within the power of England to have completed it long ago. I may say, Lord Jersey, as regards the cost of the survey, Australia will not make any demur to paying her fair share, and I cannot believe the matter of pounds, shillings and pence have alone prevented England from making that survey. I am sure that, if communications be opened between the Colonial authorities and the Home authorities on that subject, it will be found that the Colonies will, without hesitation, agree to contribute to it. If we refuse, it would certainly be contradicting the earnestness with which this matter is now viewed in our country. I think that takes in the third point raised by Lord Jersey.

Lord JERSEY.—The main principle?

Hon. Mr. FITZGERALD.—Whether the cable shall be built at all? That I have been endeavouring to show by the interest with which it has been regarded and the importance of the question from the Australian point of view.

Lord JERSEY.—The cost of the survey is a minor point in my mind.

Hon. Mr. FITZGERALD.—I would not have mentioned it had it not been included in the questions you put to us. The cost of the survey would be merely a trifle, compared with the total cost of the construction. As to the strategic point, we answer it by saying it is most proper that England should look to officers of her army and navy for advice, irrespective entirely of the trade view, which we regard as a very important one. We say that had the policy of the Colonial Office a few years ago been the same as the policy at present, England's influence would now be paramount in the Pacific, and there would be no difficulty felt as to where we should put the lines, and what points of communication we should have. Our belief is that the trade between Australia and Canada will grow and keep growing, and that the total commerce of the two Colonies will continue to advance as it has done during the past ten years. How can we expect that this trade should keep increasing unless we have cable communication by which we can enlarge our commercial relations? I do not intend to press that point, because I apprehend no doubt exists in the present day; commerce must flag without telegraphic service. Consequently, if the line of steamers is ever to be productive of good, a cable between Australia and Canada is a necessary communication. With regard to duplication, upon which stress was laid by Mr. Playford, I may here say that he is, in the discussion of this subject, the *advocatus diaboli*, putting forward all possible objection. I hope I do him injustice, but that is the impression on my mind. I ask him to remember that improvements have gone on in the manufacturing of submarine cables, and if this service is completed, say in five years from this time, that its strength may be such that may prevent any necessity for duplication for some years and save that cost. There is no need to be frightened. Let us lay a cable and trust to Providence that there will be no disappointment. I never could understand why, in the matter of the survey, with ships of the Imperial navy fitted out, so many of them, for the work, the recommendation put forward by Canada, Australia, and the Cape, should have remained a dead letter. The little pieces of surveys that Lord Jersey has referred to are not what we want. The thing ought to be gone on with in a business-like way. Work should not be left off until it is completed. Then we will know how far the idea of Mr. Fraser is correct. The impression in our minds now is, that there are no submarine difficulties, and that we should, without delay, try to arrange among ourselves about going on with the construction. I quite agree with what fell from Mr. Lee Smith, that if the different Colonies undertake this work, it must be in the nature of a guarantee and not a subsidy. I am of opinion, if this work is to be done, it will have to

be done jointly by the countries guaranteeing the money. If it is handed over to a company, despite any restrictions put upon it, there is a risk that it will, after construction, come under the control of the Eastern Telegraphic Company, thus probably lessening the advantages we in Australia should expect to derive. Therefore the countries guaranteeing should have control of the construction, as well as the control of the cable after it is completed. I have no doubt that the difficulties that are now supposed to be very great will be found to be comparatively small, and we shall see that one result of this Conference will be the establishment of thorough cable communication between Australia and Vancouver and through Canada to Great Britain subject to British influences, on British soil, and in every way possible British.

Hon. Mr. Suttor.—In accordance with Mr. Foster's suggestion, I will agree to strike out the words "under sole British" in my resolution, and insert the words "free from foreign," making the resolution read "That, in the opinion of this Conference, imme-
"diate steps should be taken to provide telegraphic communication by cable, free
"from foreign control, between the Dominion of Canada and Australasia."

Hon. Mr. Foster.—My idea in suggesting an amendment there was in view of the objection I took that it conveyed the idea that it must be under governmental control. Then we had the idea put in other words, but the words having relation to territory would not enable us to land at Honolulu. Now we may have to land there. We shall probably have to land at some place which is not British territory. If we do, we, of course, could only do so by making arrangements for a neutral territory to fix a landing place. If we put the words "free from foreign control" it will meet that point, and take away the difficulty that is found in the other expression.

Hon. Mr. Playford.—You will be able to go to New Caledonia in that?

Hon. Mr. Foster.—You will be able to go to any place where you make your arrangements.

Hon. Mr. Playford.—It simply means that you have only to make some little arrangements. I always understood that the view taken, by Mr. Fleming especially, and a great many other people, was that this line of cable should not land on soil that was not under the British flag, and I think that is the idea we have in Australia.

Hon. Mr. Suttor.—The only alternative routes are Vancouver to Necker Island or to Fanning Island. That is the only British territory we can possibly reach. Then you must either go to Honolulu or to Necker Island, and both these points are controlled by a foreign Power. I think you ought to give us power to go to any one of these places.

Hon. Mr. Suttor's amendment was adopted.

The President.—I would like to refer to some remarks of Mr. Playford. We all remember well reading Sir John Pender's letters. He makes three distinct statements: first, that it cannot be built; second, if built it will not pay; and third, if it is to be built, he wants to build it. That is his position. I differ *in toto* from the position taken, that there is too little business to be done. I have a distinct recollection that it was stated the Canadian Pacific Railway, if built, would never pay for the grease on the wheels. I am glad to know that the other day the Canadian Pacific Railway declared a dividend of 5 per cent. with a large reserve. As to this difficulty, I think the positions between the Canadian Pacific Railway and this proposed cable are somewhat analogous. It was declared there was no possibility of getting the Canadian Pacific Railway through the mountains, but we decided to build the road. This Government entered into an arrangement to have the road constructed within 10 years. It was said it was impossible to get through the mountains, but the result has proved that that prognostication was incorrect. These and all of the same kind of enterprises are condemned as impracticable when first suggested, but the party to which I belong has proved that enterprise, push, and energy can overcome almost anything. I shall take the opportunity of reading a paper, but not now, in reply to Sir John Pender's letter that he sent to the Governor General, for the information of the Government and which was referred to me as Minister of Trade and Commerce for my report upon it. I have a short report which I think answers some portions of his objections, and I will lay it before the Conference before we come to vote on this question.

Hon. Mr. Suttor.—I understood Mr. Foster to say that he desires that this debate should be adjourned so that the representatives of Canada may confer together, and arrive at some determination. If the debate is to be continued to-morrow, it will be much more convenient.

Hon. Mr. FOSTER.—I shall be able to do that at the afternoon session to-morrow. It would be impossible to-night to have a conference.

Sir CHARLES MILLS moved the adjournment of the debate.

The PRESIDENT.—Before the Conference adjourned, it might be well to have my reply to Sir John Pender read. It is as follows:—

The undersigned Minister of Trade and Commerce—to whom has been referred P.C. Reference No. 210 J., being a copy of a communication from Sir John Pender to His Excellency the Governor General of Canada, bearing date the 14th April 1894, covering a copy of a communication from Sir John Pender to Sir Robert Meade, K.C.B., Colonial Office, of date the 4th April 1894, having reference to the proposed Pacific cable to connect Canada with Australia—has the honour to report that, having given careful consideration to the statement made by Sir John Pender on the subject, he would respectfully recommend that His Excellency the Governor General be moved to reply in effect that his Ministers differ from the opinion expressed by that gentleman, that an independent line of cable communication between Canada and Australia is not required. On the contrary, they have, after mature consideration, arrived at the conclusion, that not only in the interest of Imperial Unity is such a connexion necessary, but in the interest of trade between Canada and Australia it is almost indispensable. Nor can they agree with him in his conclusions respecting the business which would be done, or his predictions of pecuniary losses, should the cable be laid. A reduction in the enormously high rates now charged, which are practically prohibitive, unless in cases of absolute necessity, would, it is believed, largely increase business, and, therefore, in a few years place the line on a self-sustaining, and eventually on a profitable, basis.

The Minister desires to call the attention to the statement made by Sir John Pender that "it is not to be "overlooked that the existing telegraphic communication with Australia was established by private enter- "prise without any governmental assistance whatever in the form of subsidy, guarantee, or exclusive "landing rights."

It may be literally correct to say that the "existing communication with Australia" was initiated by "private enterprise," and that the company was formed before assistance in the way of subsidies was absolutely secured; but it is equally true that, in order to render the line effective and serviceable, governmental assistance became necessary, and large subsidies and guarantees were granted to the company by the several Australian Colonies. A reference to the reports and public accounts of these Colonies shows that in aid of this enterprise no less a sum has been paid than 486,000*l.* by Australia, and by New Zealand 75,000*l.*, making a total to-day of 561,000*l.*, to which should be added a further sum of 55,250*l.* guarantee by certain of the Australian Governments, making in all 616,250*l.* already received by the company in the way of government aid. To this should be added the amounts yet to be paid of 32,400*l.* per annum for five years to come, or 162,000*l.*, making in all, in total subsidies and guarantees paid and payable, no less than 778,250*l.*, or in round numbers 83,893,000, without taking into account any additional payments which may have to be made under terms of the guarantee which some of the Colonies entered into with the company four years ago.

In short, the existing telegraph company, so far from being "without any governmental assistance whatever." has received in subsidies and guarantees from the Australasian Governments sums exceeding in the aggregate the whole present value, as the Minister believes, of all the cables of that company extending from Asia to Australia. The establishment of the existing telegraph has beyond doubt been of service to Australia, but it can scarcely be said that the enterprise of the proprietors has been unrewarded. The reports and statements issued to the public by the Eastern Extension Company, and especially the report of the directors submitted to the shareholders last month, go to show that, besides paying 7 per cent. on its "watered" capital, equal to 9 per cent. on the original capital, the company has been enabled, through the assistance rendered by governments, added to the exceedingly high charges exacted, to accumulate a reserve fund of 633,686*l.* after having expended out of revenue on new cables and extensions, the gross sum of 1,100,685*l.* Two extracts from Sir John Pender's speech at that meeting bear out what has just been said:—

"The gross receipts for the half year under review have amounted to 251,000*l.*, against 247,000*l.* for the corresponding period 1892, showing an increase of 4,000*l.* The working expenses have amounted to 76,000*l.*, against 91,000*l.* for the corresponding period of 1893, showing a decrease of 15,000*l.*, which is entirely accounted for by the repairs to cables having cost only 21,000*l.* during the past half-year, against 38,000*l.* in the corresponding half-year of 1892.

"The usual interim dividends have been distributed during the past year, making, with the dividend proposed to be paid to-morrow, a total payment of 5 per cent. for 1893. It is also proposed to pay a bonus of 4*s.* per share or 2 per cent., making a total distribution of 7 per cent. for the past year. The balance of 107,830*l.* has been carried to the general reserve fund, which now stands at 633,686*l.*"

The Minister, in expressing his dissent from the statement that another Pacific cable is not required to meet the commercial wants of the Colonies of Great Britain, desires to explain that the policy of the Canadian Government is to develop by every possible means trade and commerce on the Pacific, especially with Australia. To this end a line of steamships has already been subsidized to run between Canada and Australia, and it is found that efforts in that direction are to a great extent handicapped (1) by the enormous charges for telegraphy now exacted between the ports of departure, and (2) by the entire absence of any means of communication telegraphically with the steamers at intermediate points. The difficulty was brought into prominence in the case of the stranding of the "Miowera," the circumstances attending which caused great anxiety. A cable from Canada to Australia with reasonable and moderate charges is, in the opinion of the Minister, essential to the successful development of commerce on the Pacific.

The Minister does not desire to enter into a controversy on the estimate of cost and expenditure which Sir John Pender submits in his letter to Sir Robert Meade, but desires to point out that Sir John Pender entirely ignores the enormous increase in telegraphy which is certain to result from a reduction of charges for transmitting messages. The Minister submitted to the Australian governments on the 12th of October last a memorandum containing an estimate of traffic, which seemed to him fair and reasonable. That the estimate then given is is in no way exaggerated may be inferred from the fact that it is based on a traffic considerably less than the actual existing business as given in the letter of Sir John Pender now before him.

The Minister desires further to draw attention to the fact that Sir John Pender entirely ignores the fact that foreign nations, whose interests are inimical to British interests, recognise the necessity of a Pacific cable; that France, on the one hand, and the United States, on the other, have already moved in the direction of establishing one, and that, unless prompt action be taken to establish a British cable across the Pacific, the connexion

may be formed under foreign control and worked in the interest of foreign commerce to the detriment of all British interests, and especially would this be the case in the event of international difficulties arising.

All of which is respectfully submitted.

(Signed) M. BOWELL.

Department of Trade and Commerce,
Ottawa, 14th May 1894.

Hon. Mr. FOSTER.—In the disposition of the motions that have been made and the notices given, we have come very close to, without as yet touching, the trade question. To my mind, that is a very important part of our deliberations as a conference. If no other gentleman has it in mind to introduce a resolution with reference thereto, I will prepare one on those lines. What we would like would be that all parts of the Empire should have their trade relations, as regards themselves, placed on a more favourable basis than trade between foreign countries and the Empire. If we cannot have that at present so far as Great Britain herself is concerned, because she has no duties upon most of the products which we send, and as to which we are competitors with other parts of the world, and she may not now be disposed to put a small duty upon them, we should not wait any longer, but, as colonies, we should make some arrangement amongst ourselves whereby we should give to each other's products better treatment than we give to foreign products.

Hon. Mr. FITZGERALD.—I will draw Mr. Foster's attention to one of the resolutions adopted the other day, put forward by Sir Henry Wrixon, in respect to which I have given a notice. The one of which I have given notice I will be happy to withdraw, if Mr. Foster will incorporate it in his. They are kindred subjects. Sir Henry Wrixon's motion is with respect to differential trade relations between the Colonies, and with Great Britain.

Hon. Mr. SUTTOR.—That will necessitate Imperial legislation.

Hon. Mr. FITZGERALD.—I argue that we should not be asked to include Belgium and the German Empire in any such arrangement. At present, if Australia made an arrangement with Canada, under this treaty, Belgian produce would be allowed to come in under most-favoured-nation clause.

Hon. Mr. FOSTER.—I think not, as between Australia and Canada. Even so, my honourable friend will see that my motion could only be fruitful, certainly, if the first of these is carried out. I am going on the abundant faith, which I hope is not too abundant, that Great Britain will ultimately concede the first demand, and, going on that assumption, we should take some practical steps at this Conference to get ourselves together.

The PRESIDENT.—That question is now before the Law Officers of England, and a decision is being awaited. If the decision be in the direction that you have indicated, and Lord Jersey thinks it may be, then, we shall be at liberty to arrange trade between ourselves.

Hon. Mr. FITZGERALD.—The word "British" will have a restricted meaning; it will not affect the Colonies as between themselves.

Hon. Mr. FOSTER.—If we have not that power, we should never rest until we get it. Surely, two Colonies should be able to make arrangements between themselves.

The Conference adjourned at 6 p.m.

DOUGLAS STEWART.
J. LAMBERT PAYNE.
Joint Secretaries of the Conference.

Office of the Minister of Trade and Commerce, Ottawa,
July 4th, 1894.

The Conference resumed at 10 a.m., Honourable Mackenzie Bowell, President, in the chair.

Delegates Present:

The Imperial Government.—The Right Hon. The Earl of Jersey, P.C., G.C.M.G.

Canada.—Hon. Mackenzie Bowell, P.C.
Hon. Sir Adolphe Caron, P.C., K.C.M.G.
Hon. George E. Foster, P.C., LL.D.
Sandford Fleming, Esq., C.M.G.

New South Wales.—Hon. F. B. Suttor, M.L.A.

Tasmania.—Hon. Nicholas Fitzgerald.

Cape of Good Hope.—Hon. Sir Henry de Villiers, K.C.M.G
Sir Charles Mills, K.C.M.G., C.B.

South Australia.—Hon. Thomas Playford.

New-Zealand.—Lee Smith, Esq.

Victoria.—Sir Henry Wrixon, K.C.M.G.
Hon. Nicholas Fitzgerald, M.L.C.
Hon. Simon Fraser, M.L.C.

Queensland.—Hon. A. J. Thynne, M.L.C.
Hon. William Forrest, M.L.C.

THE PACIFIC CABLE.

Lord Jersey.—I wish to make a few observations, not in the nature of an argument but rather as indicating some of the points which I think would be of advantage to Her Majesty's Government if they were more clearly defined than perhaps they have been at the present moment. We are approaching a decision upon two main points—one the question of removing any difficulties which may exist at the present time between Colonies with regard to trade between themselves, and the other the question of the cable and its survey. Now, it is obvious to us that these two points will have to come before the British Parliament before they can be settled, and in order to enable Her Majesty's Government to place them before the British Parliament in a favourable light—and I think it may be fairly assumed that Her Majesty's Government, as far as possible, would desire to consider these matters from a favourable point of view—it will be necessary for the Government to have some strong arguments in support of them. To remove the disabilities or the restrictions which now exist on inter-trade between the Colonies, it will be necessary to introduce a Bill into Parliament. It would be an advantage, I think, if some clearer indication were given as to the nature of the trade which is likely to be affected or to spring up, supposing existing restrictions were removed. Of course, it is impossible for anyone to make a pledge as to the exact trade, but I think a general indication of the nature of the trade would be of advantage. Well, then, it would be an advantage to know what would be the nature of the agreements which various delegates think that their governments would enter into with each other. As regards the cable, of course I cannot prejudge any line, but I should like to have a clearer indication of the line which the delegates would wish to have presented before Her Majesty's Government for their consideration; that is to say, as to whether it will be a line from Queensland to New Zealand, to Fanning Island, and so on to Vancouver, or whether it would be direct from Queensland through Fiji, and touching, or perhaps not touching, Honolulu. The exact line, I do not think this Conference could lay down, because before anything could be finally settled a survey would have to be made; and here I should just like to say that, when I was talking about the expense of the survey—it was only incidentally I mentioned it—I do not suppose it is at all likely that, as the Admiralty is continually engaged in surveying the Pacific, there would be any very great difficulty in deciding that the survey should continue in some particular route. But it would be, I think, necessary to have a clearer line laid down; so that it could not be argued that the Admiralty were going to be sent on a

fishing expedition. Then there is a question also of the business which the cable might do. Mr. Playford, in his statement, has pointed out the course which South Australia took for the sake of cable communication, and also pointed out that it had been carried out at a great loss. Well, I do not enter into the question what consideration should be made to South Australia; Mr. Playford fully understands that; but I think it would be absolutely necessary that some probabilities should be placed on record in order to enable us to make the case clearer than it is at the present time. I know that Mr. Sandford Fleming has given some data in a report of his as to what he thought would be the revenue of the cable, and he assumed that it would get one-half of what goes through the present cable. We can easily see that does not take into consideration the fresh business which would spring up; there would be a fresh inter-Australian and Canadian business. We know that trade begets trade; I think Mr. Fitzgerald spoke in the same sense, and so did Mr. Lee Smith, stating that the vitality of commerce in the present day depends upon rapid communication. Without being able to state facts, it would be allowable to state probabilities of an increase even over what Mr. Sandford Fleming has stated; but, still, what I want to press upon the delegates is that this information should come from the Conference, so that I might be in the position of being able to lay it before my government. Most of the gentlemen present here have had to do with Parliament; they know as well as possible that in Parliament there are many minds; there are some who take a broad view of national and Imperial duties and obligations; there are others who take a narrower view, based on selfish interests; and it will not be surprising in matters of this kind if in the British Parliament, some people will ask, If we are to give a subsidy, what is the interest of Great Britain? If we are to change the present law, will the manufacturing interests be grievously affected? This must be met. I am only saying this in order to show what are difficulties, and it is in order to meet these difficulties that I am asking the Conference to give me the means of answering them. British interests will to a certain extent be affected, or may be affected; I will say nothing whatever of the rights or privileges of a self-governing colony, because I am not going to argue that case; I leave that out on purpose; I am speaking of the British interests which might be injuriously affected. The speeches here have been very clear on this point; there is no desire to affect injuriously British interests; and I take it that it is desirable as far as possible to bring the commercial interests of Great Britain into closer relationship with the Colonies. Then there is another point, the question of the strategical importance of the cable. The original idea of the cable was not based on purposes of strategy. It was, I understand, mainly for these two points, namely for commercial purposes and for Imperial purposes; it was to try and bring the whole of the Empire within touch of each other; but it was not primarily to provide for the British navy or British army a strategical line. Mr. Fitzgerald is right, and I quite endorse what he says, with regard to the strategical importance. I am not an expert, and, therefore, it seems to me astonishing, not being an expert, that anybody should doubt that two lines are better than one; and, as some gentleman has said, even keeping open a line of communication for one week after a declaration of war might be of enormous advantage to the Empire; but still what I repeat is that this cable ought to rest chiefly upon its commercial value; and I would urge the delegates to look more to that than to the strategical importance. If it is to be rested chiefly upon its strategical importance, people not knowing the interests of trade might say—"Well, this is a matter for naval experts"; but if you put the commercial importance first, the case is very much strengthened. We are here essentially at this time to consider how we can advance commerce in every part of the Empire, and it is to that point of view that I hope the Conference will distinctly address itself. To that I wish to draw the attention of the Conference before we go into the rather wider sphere into which Sir Charles Mills is about to plunge us; that I should like to be able to gather some commercial facts supporting the general line which has been laid down by the various speakers during the course of our discussions, and to put those facts in shape, because, unless I get something of that kind, I think you will see I shall be placed in a very difficult position, and shall have to generalise a good deal in the matter.

Sir Charles Mills.—In the first place, I wish it to be distinctly understood, Mr. President, that the Government and the people of the Cape of Good Hope heartily sympathise in the desires and aspirations of Canada and the Australian Colonies for the construction of a cable through the Pacific between Canada and Australasia. I also desire it to be distinctly understood that not a word of what it may now be my duty to say is to be construed into any but the most cordial sympathy with that movement.

I will merely endeavour step by step to follow the course laid down by Mr Sandford Fleming. I am deeply impressed by the able and interesting speech made by Mr. Playford, representing South Australia. I entirely concur in his recommendation of a duplicate line wherever a cable may be laid, and I share the conviction that finding ourselves in this matters precisely where it was left by the Colonial Conference in 1887, the first step to be taken ought to be a survey, as recommended by that conference, of the intervening ocean to determine the safest, cheapest, and best route to be followed. Much has been said of the necessity of this cable from the Imperial and commercial point of view, and for political or strategical purposes. It might be advisable at no distant period—it is out of the question just now—to have all cables connected with Great Britain and her dominions nationalised, but that cannot possibly enter into our consideration at present. No one can doubt that in these days an enemy's ship may at any time fish up a cable, cut it, and destroy communication for the time at least; but if a cable only serves to enable a communication of a declaration of war to be made, it will well repay the cost of its construction and maintenance. I can speak of that from past experience. In 1885, you will all remember, there was a scare, or rather a fear, of a Russian war. In London at the time, representing the Cape of Good Hope, I telegraphed to my government first, "War with Russia probable." After a little while, when matters began to develope themselves, I telegraphed "War with Russia imminent." The Governor of the Colony, and the General, and the Admiral in command of the military and naval forces out there had not heard a word. When my telegram reached the Prime Minister he laid it before the Governor. The Governor summoned the General in command of the troops and the Admiral in command of the navy and they had a consultation, and telegraphed home to know what the cause was, and then they learned that war was actually expected to break out at any moment. Now, at that very time they had in Simon's Bay a small corvette; in Table Bay, which was totally undefended, there were two large Russian corvettes or frigates, and outside, cruising about, simply waiting the word, a large ironclad, which could have come in and taken from us the Cape Peninsula altogether. The naval and military authorities, assisted by the Colonial Government, set to work, and erected two or three small fortresses in Cape Town. Then came the question of armament; the only armament that could be found were two or three obsolete muzzle-loading naval guns, which might have been just as useful as revolvers against these Russians. Now, that was so recent as 1885; and Her Majesty's Government then sent out some gunboats and torpedo boats, but of course if it had not been for the preparations that were made by throwing up these small fortresses, and by doing the best they could to defend the Cape Peninsula, and if war had broken out, (and the Russians very likely had means of communication we knew not of,) they could have destroyed Cape Town and Simons Town, and they could have taken possession of the Cape Peninsula and cut off our communication with the east. That was the danger of having no direct communication by cable, and not using that which we had. The peril was very great and the loss might have been immense. The suggestion of Mr. Playford, of first making an exhaustive survey, and having the route determined by experts, which I venture to endorse, might perhaps be taken to delay the completion of the work. Now, I do believe, with all due deference to what has been said on the subject, that if the French Government or any foreign government, or foreign joint stock company, see that Her Majesty's Government is determined to have the route surveyed and to construct the cable, they will think twice before they attempt to lay a cable in competition with it, more especially if discouraged by the Colonies concerned. Fully impressed with the great advantages, commercial and political, which the proposed Pacific cable will afford, I hope I may be pardoned if I ask the Conference to consider favourably the proposition which I now have the honour to submit, and which merely goes to ask on behalf of the Colony of the Cape of Good Hope that the cable and its advantages may be extended to South Africa. The subject of telegraphic communication between the United Kingdom and Australia by an alternative route to that supplied by the Eastern Extension Telegraph Company engaged the attention of the Colonial Conference of 1887. At the opening of that conference Lord Knutsford called special attention to this subject, and pointed out the impossibility of overrating the value of our extensive sub-marine system, either from a political or commercial point of view. He said that in commercial transactions there are few of any magnitude which do not involve the forwarding and receiving of telegraphic messages, and pointed out the great importance of the control of the telegraphs being, as far as possible, in British hands, and of moderate tariffs. To this he then directed the attention of the Congress, and requested the Australian and Canadian members to favour Her Majesty's Government

with their views on a proposal to connect Canada and Australia by a cable 7,000 miles in length from Vancouver Island to some point in one of the Australian Colonies, remarking that a very strong case would have to be made out to justify Her Majesty's Government in proposing to Parliament to provide a subsidy for making such a cable in competition with the existing companies. The question has been raised whether such a cable, necessitating the passage of messages from Vancouver to Quebec, over upwards of 3,000 miles of land lines, subject to interruption at any time from accidents due to the inclemency of the seasons and otherwise, and the distance by cable from Quebec to Liverpool, about 2,700 geographical miles, making the distance from Liverpool to Sydney, *viâ* Vancouver Island, not less than 13,000 miles, would meet all that was required for commercial or Imperial defence, unless the lines were continued to India, over the existing Australian land lines, and through the Straits, with extensions to Aden and the Cape in one direction, and to Hong Kong in the other. This plan would increase the distance from Liverpool to India by Hong Kong to about 18,000 miles, and then to the Cape of Good Hope about 22,000 miles, rendering these extensions probably unremunerative, because they would not convey messages to Europe in competition with shorter routes, with which that traffic is already supplied, the present charge to any part of India being only 4*s.* per word. But a large traffic in messages is essential to a telegraph company, as goods are to a railway company, and no one can question the enormous importance of adding the Indian and South African traffic to that of Australia in any new scheme for a telegraphic route, inasmuch as it would not otherwise be possible to introduce a favourable tariff. The number of messages passing over the cable, as well as the charge for transmission, will be in proportion to the amount of the commerce of the countries which the cable connects, and while that of Australia and New Zealand in 1886 amounted to 119 millions, of which one-half was with the United Kingdom, that of India, Ceylon, and the Straits Settlements amounted to upwards of 200 millions. It may, therefore, be safely assumed that a cable which should combine the traffic derived from Indian and South African commerce with that from Australia, would permit a far lower tariff being adopted than one which would only carry messages from Australia and New Zealand. And now, to meet as far as I can, the request of Lord Jersey, I beg to refer to the maps, which will show that a series of cables with English stations throughout the whole distance might be laid from England to Australia, *viâ* the Cape of Good Hope, no single length of line of which would exceed 1,700 miles. Such a cable would touch at a great many important points, namely Gibraltar, 1,050, River Gambia, 1,600; Sierra Leone, 580 miles; Ascension Island, 1,000 miles; St. Helena, 720 miles; Cape of Good Hope, 1,700 miles; Natal, 800 miles; Mauritius, 1,500 miles; Chagos or Keelung Island, 1,200 miles; Ceylon, 900 miles; Singapore, 1,600; and Exmouth Bay in Western Australia, 1,000 miles; from thence by the existing land lines it would connect with Melbourne, Victoria, Adelaide, and Sydney, &c., and might be continued by independent line to New Zealand, 1,050 miles. With such a cable system entirely under one control a very much reduced tariff might be introduced at a charge per 1,000 miles of 3*d.* per word; the tariff to New Zealand, the most distant point, would be 4*s.*; to Sydney or Melbourne, 3*s.* 9*d.*, to Singapore, 3*s.* 3*d.*, to India, 3*s.*, to the Cape of Good Hope, 1*s.* 8*d.*, against the corresponding 10*s.* 6*d.*, 9*s.* 6*d.*, 6*s.* 5*d.*, 4*s.* and 8*s.* 11*d.* which are the respective prices charged by the Eastern Extension Telegraph Company. Such a tariff could not fail to be remunerative. When the Atlantic cable was first established, our total trade with the United States in 1865 was under 60 millions, as against the Indian and Australian trade in 1887 of 318 millions, but it produced during that year more than 400,000*l.*, or at a rate of 1*l.* for every 150*l.* of trade, whereas if we calculate the receipts from the Australian and India trade at only one quarter of that proportion, or 1*l.* for each 600*l.* of trade, the receipts of the messages from the trade of India, the Straits, and Australasia on above low scale of rates would amount to 530,000*l.* per annum, and deducting 80,000*l.* a year for working expenses and reserve fund, there would remain a balance of 450,000*l.* wherewith to pay interest on the capital. This does not include the Cape trade, or that of many other stations on the African coast, which is now very considerable. At 250*l.* per mile, which since the fall of the value of copper is considered an ample price, the cost of laying these cables would be about 3,500,000*l.* sterling, and if with a view to possible extension the capital of the enterprise should be raised to 4,000,000*l.*, a dividend would be provided at about the rate of 10 per cent. or 11 per cent. per annum. When it is added that the Eastern Telegraph Company and the Eastern Extension Telegraph Company have a combined capital of more than twice that amount, and that their united revenue in 1886 amounted to

1,178,000*l.*, it cannot but be admitted that this estimate is a very moderate one. It would be sufficient, however, that the Imperial and Colonial Governments should guarantee a revenue of 160,000*l.* per annum in order that the requisite capital for laying such cables should be immediately raised without the least difficulty, and of that guarantee it is highly improbable that they would ever be called upon to disburse a single penny. Now a few words as regards the Eastern Telegraph Company's South African Branch. By an Act of the Cape of Good Hope Parliament, proclaimed on the 8th September 1879, the payment of an annual sum of 15,000*l.* for a term not exceeding 20 years from the date of completion of the line was authorised, the Act providing that the company should be bound to maintain the line in good order during that period, payment of the subsidy to cease if the line is not in working order for any space of time exceeding six months, the cost of a message to or from London not to exceed 10*s.* per word. The company now charge 8*s.* 11*d.* per word to the public, and 6*s.* 3*d.* to the Government. This contract expires in 1899. It is impossible to estimate the increase of traffic on this line since the opening of the gold fields in the Transvaal, and the acquisition of the territories north, that is to say, Matebeleland, Mashonaland, and Bechuanaland. Since that Act was passed the Eastern Telegraph Company has laid a cable along the west coast of Africa, that is along the points already enumerated, thus encircling the whole of the South African continent, under an agreement dated 8th February 1886, in which I can find nothing to prevent the competitive cable being laid on the line above indicated. The construction of such a cable in connexion with that from Australia *viâ* Mauritius would appear to be the only means of bringing about a reduction of the present high rate charged by the Eastern Telegraph Company for messages to the Cape of Good Hope, Natal, and other parts of South Africa. In the interests of all the Colonies concerned the promotion of such a cable is, therefore, strongly urged and recommended. Whilst again emphatically declaring that not a word uttered by me is intended to be in any way inimical to the unanimity in which I hope the motion of Mr. Suttor will be carried, I would respectfully suggest that Her Majesty's Government, in conjunction with the governments of the Colonies concerned, be moved to give the earliest possible effect to the resolution passed at the Conference of 1887, by causing a complete and exhaustive survey to be made for the best, shortest, and safest route for laying and working the cable across the Pacific from Canada to Australia, and for the extension eastward to South Africa, for the sake of the political and commercial interests of the Empire.

Hon. Mr. Forrest.—It was not my intention to have addressed you at present, because I discussed this subject most fully with my friend and colleague here, and I consider that he has said everything pretty well which I would wish to say, and said it much better than I could. There is no use of us both travelling over the same ground. But it occurred to me last night that there was one point which, though touched on incidentally, had not been sufficiently emphasized, and that is the probable extension of trade. I would like to make a few observations in this direction; and the remarks of Lord Jersey to-day, which I am very much pleased to hear, give me an additional reason for making them. I think I can furnish some substantial arguments why the cable should be laid. We can only judge of the future by what has been done in the past, and I have a few words to say to you which perhaps may help you to come to a conclusion on this point. For my own part I do not concur with the idea that we can only look at these matters from the standpoint of an immediate advantage to ourselves—I mean pecuniary advantage. In the ordinary conduct of the business which depends chiefly upon individual effort, each man must conduct his business so that he may obtain an immediate return, because men must get their daily bread; but, I say, we ought not to look for immediate returns in national affairs and particularly in conducting the affairs of the Great British Empire. I cannot give you a better illustration of the truth of my contention than the fact of our being here to-day. Had the great and farseeing statesmen of England paused to count the cost, they might never have secured colonial possessions; and we are here to-day because they did not count the cost, and because, without looking for immediate returns—to use the words of Lord Rosebery—"they pegged out claims for futurity." I will now endeavour to show you the expansion that has taken place in 20 years from 1870. Speaking from memory the Australian cable was commenced in 1869.

Hon. Mr. Playford.—The cable was finished in 1872.

Hon. Mr. Forrest.—1870 is as near the point as I could conveniently get, and I pause to state that I take the Canadian returns from 1871. I have reduced these amounts to pounds sterling. The imports of Canada in 1871 were 14,962,871*l.*; its

imports in 1891 were 24,371,650*l.*; in 1871 exports were 14,714,600*l.*; in 1891 19,349,829*l.*; its population in 1871 was 3,675,024; in 1891, 4,833,339. Of course all these figures have increased during the last four or five years. In the Australian Colonies, exclusive of New Zealand, the imports in 1870 were 24,826,346*l.*; in 1890, 61,670,351*l.*; its exports in 1870 were 26,262,966*l.*; in 1890 54,852,854*l.*

Hon. Mr. Fitzgerald.—You omit New Zealand.

Hon. Mr. Forrest.—I started by saying I omitted New Zealand. I will refer to New Zealand later on. In 1870 the population of Australia was 1,650,172; in 1890, 3,159,841; that is nearly double in 20 years. The imports in New Zealand in 1870 were 4,629,015*l.*, and in 1890, 6,260,522*l.*; its exports in 1870, 4,544,682*l.*; in 1890, 9,423,761*l.* In 1870 the population of New Zealand was 248,400. In 1890 it was 625,508. Gentlemen, I ask you to turn and look at the map hanging on the wall. See the enormous portion of the American continent which belongs to Canada. It contains, at the present time, scarcely a population of five millions. It is rich in soil, has an excellent climate, and I have great pleasure in saying that to my mind it has got the most energetic, the most enterprising, and the most healthy population I have ever seen. We cannot estimate men by counting noses. If I had to fight the battle of life in any form, I would rather have ten men of a certain type behind me than I would have 100 of another type. Then take Australia. It has a very large surface, it abounds in natural richness, the great portion of which is not developed. Have we forgotten the genius of the race when we talk about the proposed cable not paying? Have we ceased to develop? Are we not going to expand? The figures I have read with regard to the population and the trade at the time the Australian cable was started, and at the present time, show that if there was room for one cable then, there is room for more than two cables now. Surely we can rely upon the people of Canada and the people of Australia going on with the development which they have started so auspiciously. Gentlemen, I think if we consider these matters carefully, we will see that purely a commercial standpoint is not the highest standpoint in the preservation and conservation of a great Empire like ours; but, from that standpoint alone we can see ample room for another cable. I will not detain you. Each man can think these propositions out for himself. We know what has been done in the past; Canadians know the great richness of Canada, and Australians know the richness of Australia; and do not for a moment imagine that I have forgotten the Cape; I rejoice in its prosperity and trust we will soon be connected with it by cable. The mere question of Vancouver cable paying, to start with, should not for a moment prevent us from advocating its construction.

Sir Henry Wrixon.—I am afraid I have been misunderstood in something I said, because Sir Charles Mills made the remark that he did not agree with the view I put forward.

Sir Charles Mills.—Not at all. What I wished to say was, that if Her Majesty's Government and this Conference pass this resolution, show that they are in earnest, show a determination to carry it through, it will deter any foreign Government, or any foreign joint stock company from attempting a competitive cable.

Sir Henry Wrixon.—I wish to say I thoroughly subscribe to that view. My argument was this, that if Her Majesty's Government did not do it, but threw it over, and this Conference threw it over, then France would step in. I never meant to say that if Her Majesty's Government proceeded, France, or any other authority, would intervene. My argument is, that a cable would be laid by somebody over the Pacific before long, and if this Conference throws the matter over, and the Imperial Government will not assist, the cable will be built by France. I subscribe to what Sir Charles Mills has said.

Sir Charles Mills.—I naturally assumed that this Conference would come to the conclusion unanimously, and that Her Majesty's Government would pay due respect to it, and act upon it without delay.

Hon. Mr. Fraser.—May I be permitted to give a notice of motion. I think it will help to define the route:—

That in view of the desirability of having a choice of routes for a cable connexion between Canada and Australasia, the Home Government be requested to take immediate steps to secure neutral landing ground on some of the Hawaiian Islands, in order that the cable may remain permanently under British control.

Mr. Lee Smith.—Perhaps this would be an opportune time for me to give notice of my resolution. So certain am I that on the present lines nothing will be done, that there will be a delay of probably five or seven years, as in the past, that I think the proper

way to proceed is in accordance with the resolution which I now read. That will bring the question before us in a definite, business-like form. We will be able to get tenders, because I am certain that the bogie of survey will be got over in six months. A first-class cable firm would complete the thing in a fifth of the time a government would. Mr. Sandford Fleming suggests I should add another proposition which I will place at the end.

(1.) That in the opinion of this Conference, the most speedy and effective manner in which direct cable communication between Canada and Australasia could be established, would be by inviting offers to carry out the work under conditions to be hereafter decided upon.

(2.) That with a view to this end the Canadian Government be requested to solicit offers of plans, specifications, and terms for alternative lines as indicated by the several proposals submitted to this Conference.

(3.) That any tenders received be submitted for the consideration of the several Colonies interested, and that any expenses incurred be paid by the said Colonies jointly, according to their population.

(4.) That in the event of the proposals not being satisfactory the several governments take steps to carry out the undertaking as a national work.

COMMERCIAL RECIPROCITY.

Sir Henry de Villiers, pursuant to notice, moved:

That in the opinion of this Conference, any obstacles which may at present exist to the power of the self-governing dependencies of the Empire to enter into agreements of commercial reciprocity, with each other, or with Great Britain, should be removed by Imperial legislation, or otherwise.

I shall not take up the time of this Conference long, because my motion is a very simple one. It is intelligible to all, and I think it is quite comprehensive enough to meet the views of every member present. Honourable members will remember that on the 30th June, a resolution was passed that provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including the power of making differential tariffs with Great Britain, or with one another. You, Mr. Chairman, were not in the chair at the time —our friend, Sir Adolphe Caron, was in the chair—everything was done regularly, the resolution was put and carried, but I must state that I was not attending at the time, and that the resolution was carried without my knowing that it was on the point of being put. I certainly did not think that the resolution would be put to the vote without some indications from Lord Jersey as to the views of the Imperial Government. It was then suggested that I could propose any amendment, there and then, even after the resolution was carried, but I was not prepared to do so. It was arranged that the whole matter should stand over. Thereupon Mr. Fitzgerald gave notice of a motion which he was going to move to-day, and I stated that my resolution would be on the same lines as the resolution which has already been carried, and the resolution which he was going to propose. My objection to the resolution which has been already carried is that it practically leaves the Cape of Good Hope out of consideration altogether. I say the Cape of Good Hope is not affected in the least by that resolution. That resolution is that provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements for commercial reciprocity, including the power of making differential tariffs, with Great Britain and with one another. So far as the Cape of Good Hope is concerned, I do not understand that any Imperial legislation is required. As I understand it, at this moment it is possible for the Cape and Canada to enter into an agreement of commercial reciprocity without first asking the consent of the home government, and without the necessity of any Imperial legislation. The only hold which the Imperial Government would have would be that it could veto any Act of Parliament which either the Cape of Good Hope or Canada might pass in order to carry out any commercial arrangement between them. That power, undoubtedly, the Imperial Government would possess, and it is a power, I suppose, which it would exercise if it was found that any such agreement contravenes treaties between the Imperial Government and any foreign power. But, as to Imperial legislation, that does not stand in the way. There is no Imperial legislation which prevents the Cape of Good Hope from entering into an agreement with Canada. There is Imperial legislation in regard to the Australian Colonies. They are specially prohibited from entering into such an agreement, and in 1873 an Act was passed by which amongst themselves they were allowed to enter into such agreements, but there was an express provision that the power should not extend to other countries. So far as Australia is concerned, I admit that Imperial legislation is necessary, but as far as the Cape Colony is concerned, no such Imperial legislation is required. By passing the resolution which has already been carried, there is a tacit

admission on the part of the representatives of the Cape of Good Hope that Imperial legislation is required, and that we do not by any means admit. Therefore, I thought it would be far better, in moving any resolution, not to commit ourselves to the vein that Imperial legislation is required for all the Colonies. My proposition was this :—

That in the opinion of this Conference any obstacles which may at present exist to the power of the self-governing dependencies of the Empire to enter into agreements of commercial reciprocity with each other, or with Great Britain, should be removed by Imperial legislation, or otherwise.

As to treaties with foreign powers, if they stand in the way, my motion will be wide enough to cover them. Now I come to the proposal of my friend Mr. Fitzgerald. His proposal is :

That this Conference is of opinion that the existing treaties between Great Britain and the German Zollverein, and with the Kingdom of Belgium, should be denounced and terminated as early as their conditions will permit, so far as regards the clauses therein specially naming British Colonies; and that Her Majesty's Government be requested to take the necessary steps with this object.

Mr. Chairman, I have two objections to this proposal. In the first place, it is somewhat dictatorial in a matter of supreme commercial importance to Great Britain. But the more important objection is that we by this seem to admit a certain construction of those treaties which is by no means clear as yet. Why should we say that those treaties stand in the way? If they stand in the way, the words "or otherwise" will meet the difficulty; and, therefore, I think it is far better for us not to commit ourselves to the opinion that any treaties stand in the way. There are two treaties, the treaty with Belgium and the treaty with the Zollverein. I do not think it is part of our duty to give any construction. If I am bound to give my individual opinion, I must say, at once, I am afraid they would stand in the way of any large differential arrangement between the Colonies. The terms are very wide indeed. We have understood from the Earl of Jersey that this matter has been referred to the Law Officers of the Crown. We do not know, as yet, what opinion the Law Officers may give. Supposing the opinion of the Law Officers is that the treaties do not stand in the way. Then we have been unnecessarily here expressing the opinion that those treaties do stand in the way. Then, besides, the Belgian Government, and the governments constituting the German Zollverein, would not be bound by any opinion given by the English Law Officers; they would still hold their own opinion. I think this resolution is wide enough to meet the case. It says: "that "in the opinion of this Conference any obstacles which may at present exist to the "power of the self-governing dependencies of the Empire to enter into agreements "of commercial reciprocity with each other or with Great Britain, should be removed "by Imperial legislation or otherwise." If Imperial legislation stands in the way it must be removed; if treaties stand in the way it is advisable they should be modified or removed, and the words "or otherwise" are sufficient to cover them. Lord Jersey has also asked the members of the Conference to indicate the general nature of any commercial arrangement as between the Colonies. As far as the Cape of Good Hope is concerned, with which I have more directly to deal, I had a conversation with the Premier before I left, and he stated that with the growing prosperity of the Cape of Good Hope, and, with the great increase of mining industries there, Canadian lumber will be in greater demand; that our Colony does not yield lumber in sufficient quantities, and that he believed some arrangement might be made with Canada by which lumber could be introduced duty free, or at a reduced duty, by arrangement between the two countries, and a very large quantity would probably be required. He thought also that Canada, perhaps, on its part, might receive some of our products. We produce that which Canada does not produce in sufficient quantity. For instance, wool, which I believe is not taxed here. Then there are our wines and our diamonds. We might possibly find a market here. I am only mentioning these as an indication to Lord Jersey, because he wished to have some information as to the nature of the arrangement which would be made. I can only speak as to the Cape of Good Hope, and say, that the nature of any arrangement between Canada and the Cape of Good Hope would be of such a nature and refer to products of that kind. I believe Canada is a large manufacturer of agricultural implements, and if trade were established between the two Colonies, I have no doubt we would receive a fair per-centage of our agricultural implements from Canada, which at present we receive chiefly from the United States. I do not know whether the United States produces them more cheaply than Canada, but perhaps it is only because there has been a trade between the United States and the Cape, that we have hitherto received our agricultural implements from the United States.

Hon. Mr. Foster.—Have you a duty on those?

Sir Henry de Villiers.—No; they are admitted duty free at the Cape, but perhaps it is because there has been no trade between the countries that implements from Canada have not been largely imported into the Cape. I think, therefore, my resolution puts the matter in a crisp form. It does not commit us to the opinion that Imperial legislation stands in the way, at all events, of the Cape of Good Hope, and it does not commit us to the opinion that any treaty stands in our way. At the same time, where Imperial legislation does stand in the way, or where any treaties do stand in the way, then this resolution which I have proposed will be sufficient to cover everything. I think we should avoid taking any false step at the outset. If we make a mistake at the outset by passing resolutions which are incapable of being carried out, or by passing resolutions which commit us to erroneous opinions, it may very much hamper us hereafter, and it may also hamper the Imperial Government in attempting to carry out our resolution. For these reasons, Mr. Chairman, I move my resolution, and perhaps Mr. Fitzgerald, after what I have said, may be induced to withdraw his resolution in favour of the one which I now propose.

Hon. Mr. Fitzgerald.—Mr. Chairman, most willingly would I comply with the request of Sir Henry de Villiers, were it not that I conceive that it would be defeating the very object we are here for, if such were done. Lord Jersey said with a great deal of force that he thought it would be desirable that this Conference, in the business that it accomplished, should be so definite that there could be no possible doubt in the minds of the people at home as to what we intend. I object to the general terms of Sir Henry de Villiers's resolution, because I think he is sailing round the subject, instead of going straight at it. There is a difference, no doubt, with regard to the Cape Colonies and Australasia. Of course Sir Henry de Villiers's motion would meet that, viz., that there is no legislation which prohibits the Cape from making commercial relations with Canada, while there is a distinct prohibition by Imperial legislation as to the (Australian?) Colonies. I have before me an address which was presented to the Queen by the Dominion of Canada, in October 1891. There they distinctly pray Her Majesty to abrogate, to end, the treaties between England and Germany, and England and Belgium, at least so far as they affect the Colonies. I think it is the duty of this Conference to emphasize that. No attention seems to have been paid, certainly no action has been taken by the Imperial Government in answer to this.

Lord Jersey.—Here is the answer.

Hon. Mr. Fitzgerald.—But no legislation was ever attempted in accordance with the prayer; it is declined.

The President.—It might aid you by reading some of the paragraphs in the reply. The reply is dated, Downing Street, 2nd April 1892. The two most important paragraphs are numbered 7 and 8:—

7. I have to point out that the denunciation of these two treaties would not of itself confer on the Dominion the freedom in fiscal matters which it desires to obtain; and I am disposed to doubt whether the extensive changes that would have to be made have been fully realised in putting forward this proposal.

8. Many of the commercial treaties entered into by this country contain most-favoured-nation clauses, and these treaties apply in many instances to the mother country and to all the Colonies. In order, therefore, to confer upon the Dominion complete freedom in its negotiations with foreign powers it would be necessary to revise very extensively the existing commercial treaties of the British Empire, and a great break up of existing commercial relations, of which Canada now enjoys the benefits, is involved in the suggestion.

Hon. Mr. Fitzgerald.—Ours is of a much more limited kind than was asked for in that address to the Imperial Government. We ask simply for power to enter into commercial relations with each other and with Great Britain. Then, whatever difference there may be between the position of the Australian Colonies, and the Cape Colony, in regard to that, there could be no difference as between the dependencies of the Crown, and Great Britain itself. Any arrangement the Cape would make with Great Britain would include Germany and Belgium under the present treaty, quite as much in the instance of the Cape as it would in the instance of Australia. I think I may assume that that treaty would, while in existence, justify Belgium and Germany in demanding the right to enjoy every concession granted between either of these dependencies and Great Britain. If we were to ask our Parliament to consent to a modification which would enable our trade relations, say with Canada, to be extended, and that is one of the objects of our assemblage here, and from that Great Britain were excluded, it would, I think, be next to impossible to get its assent. The mother country must not be put in a worse position with regard to any tariff arrangement than any of the Colonies entering into the arrangement. If we are proposing to

modify our tariff in order to extend our commercial relations, we must of necessity pray the government to put an end to the treaties which now give Belgium and Germany the right of coming in on the most favoured-nation clause, if we include Great Britain. Without Great Britain being included I see no chance of inducing the Parliaments of Victoria or Tasmania to consent to such modification. For that reason, and that reason alone, I say that the limitation of Sir Henry de Villiers's motion could not be accepted by me. I do not think it is necessary I should delay the Conference. I believe the existence of these treaties will seriously imperil the chance of obtaining consent to the required alteration in respect to trade relations, and as such is the case, I think it is the duty of this Conference to ask Her Majesty's Government to put an end to the treaties, and so simplify the proposed tariff arrangement we hope to establish. Giving the power of extending their trade must very materially benefit the Colonies, as well as the mother country.

Hon. Mr. Thynne.—There seems to be some difference in our conception of what is meant by the term "reciprocal trade relations." Mr. Fitzgerald has been saying that the Parliament of Victoria would not be willing to enter into any reciprocal arrangement by which the mother country would not have the same privileges as those granted to the other Colonies. All I can say is this, that if we have to wait to make reciprocal trade arrangements, until the time when we can bring Great Britain into the arrangement I am afraid we will have to wait a very long time. It seems to me that the reciprocal trade relations we propose would be something of a bargain between, say, Canada and one or more of the other Colonies. The arrangement to be made, under that power, would be something of this kind. You, in Canada, have one particular article of merchandise that we in Queensland require, we in Queensland have an article of merchandise which you in Canada require. There are other places in the world where we can get all we require, and where you can get what you require, but in order to develop trade in both our countries we say we will give you a preference over the rest of the world in that particular article.

Hon. Mr. Fitzgerald.—So you are entitled to do. Great Britain would come in under that.

Hon. Mr. Thynne.—If Mr. Fitzgerald has made a statement which has been misunderstood, he should have an opportunity of correcting it. Our systems of trading and fiscal systems are so different from that of Great Britain that the reciprocal trade arrangement cannot be made with Great Britain and the different Colonies at the same time, or at least it is not likely to be so made.

Hon. Mr. Fitzgerald.—I regret very much that I appear to have expressed myself so as to leave members under a misapprehension of the meaning I intended to convey. Any reciprocal arrangement would be of a specific kind, supposing we had power to make it, between any two Colonies; that arrangement would be strictly limited to the contracting Colonies, but it ought to be quite open to the Parliament of any one to make a similar arrangement with Great Britain, if it was considered wise.

Hon. Mr. Foster.—Then we misunderstood you.

Hon. Mr. Fitzgerald.—But Great Britain would not be excluded by such legislation, if the Colonies considered it was to their mutual advantage.

Hon. Mr. Thynne.—That clears the whole question.

Hon. Mr. Playford.—I am sorry we misunderstood the honourable gentleman. I understood him to say that we should not, under any circumstances, make any special arrangements amongst ourselves which did not include Great Britain. Both resolutions are with the same object. It is only a question of the form in which we shall give expression to our views. We are all of us interested in getting this disability removed which exists in consequence of these two special treaties which are named in Mr. Fitzgerald's motion, and it is a question whether we shall get at it in the exceedingly direct manner in which Mr. Fitzgerald proposes it, or in the manner proposed by Sir Henry de Villiers. My own opinion is that if we can get at it in the way in which Sir Henry de Villiers puts it, it would be better to do so, than in the way my friend Mr. Fitzgerald proposes to meet the question. We meet it then in a broader way, we meet it in a more general way, and we point out clearly in the resolution that if Imperial legislation is necessary, let Imperial legislation be had, and if not, let the disability be removed by any process which may be in the power of Great Britain to do it. All we want done in regard to these treaties is, that they should not interfere in the slightest degree with any arrangement that we, as Colonies, choose to make

between ourselves, or with the mother country. We do not trouble our heads as regards the trade with foreign countries, but we wish, as I have indicated, that this disability should be removed. I have noted the form in which Sir Henry de Villiers puts it. My friend Mr. Fitzgerald has put it as against those two special treaties. I think we had better make it more general. There are other treaties than those he mentions there, and you may remove the disability as to these two special treaties, and not accomplish the object you wish to accomplish. I think the form in which Sir Henry de Villiers has placed the matter before us is preferable to the form in which our friend Mr. Fitzgerald has placed it. Both desire to accomplish the same result, and I think it will be better accomplished by the motion that has been put by Sir Henry de Villiers, than by that of Mr. Fitzgerald, and I would therefore advise Mr. Fitzgerald to withdraw his motion.

Hon. Mr. Foster.—There is no doubt that Sir Henry de Villiers's motion is a very crisp and effective one. The only point which I differ a little from him about is on the line of directness. We have already passed one resolution which stands on the records of the Conference as dealing with the disability in one direction, which is included in the motion of Sir Henry. We would therefore be reaffirming, in general, what we had already passed as a distinct resolution, and consequently would be putting on our records more motions than necessary. I believe, when you want a thing, you should go directly and ask for it, and say what it is you want. If you make it as pointed as possible it takes a long while to stick it into the official mind in Downing Street. We have already taken up the matter of these two treaties. We have, as far back as 1882, as far as Canada is concerned, brought this subject matter as a grievance to the attention of the home government, and a certain amount of official communication has taken place. Then, in 1892 the Parliament of Canada, as has been stated by my friend who moved this motion, passed an address of both Houses in the direct line, for the specific purpose of getting the disability involved in these two treaties removed, so that we could be at liberty to make better relations as regards trade between Great Britain and the different parts of the Empire. A certain amount of influence will be added to that direct request, indeed a great amount of influence would be added to it, if the Colonies here assembled in this Conference should, upon that one explicit definite thing named in their resolution, back up the agitation which has heretofore taken place, and allow it to be said that the Conference of Colonies here assembled, as well as previous resolutions of Canadian, and perhaps other Colonial, Governments all point and press in the one direction, which is to get ourselves out from under the disability which these two treaties place upon us. Therefore, I am in favour of putting the thing just by itself, that this one request should go distinctly. The other covers up a multitude of things, and you have to follow it immediately, by expressing the special representation in order to get before the home government what it is we specially want. You may depend upon it they will never set themselves to work to examine into what are the obstacles that are to be removed, but it is made quite plain to them when we point out the definite obstacles. They do not have to search for it then themselves. They are plain and expressed, and we get more into direct contact. We get a better chance for a favourable result. I am strongly in favour of having the requests specialised. With regard to Sir Henry Wrixon's motion, and without attempting to deal with the case of the Australian Colonies, then would it not satisfy the criticism of Sir Henry de Villiers with reference to that, if a word or two were inserted that provision should be made, in cases where it is necessary, by Imperial legislation? That would then destroy the force of the criticism of the Cape delegates that they were, under that motion, assenting to the idea that there was a disparity as regards Cape Colony, if we put in these words. That would take away the effect of that criticism. However, with reference to that, I am strongly of the opinion that we should say definitely what we think as regards that particular thing. In reference to the most-favoured-nation clauses I do not think there is practically much difference of opinion. In the first place undoubtedly these treaties make it impossible for Canada or any one of the Colonial Governments to give to any foreign power what they would withhold from another foreign power having a most favoured treaty arrangement with Great Britain. That is clear. It is also clear that they prevent a colony from giving Great Britain in her own markets any better commercial footing as regards customs duties than is given a most favoured nation having a treaty with Great Britain. I think it is also practically clear that this is inoperative as regards the Colonies making arrangements amongst themselves, and on that point I would like to read to the Conference two opinions which were given in the Imperial Parliament at the time the Canadian address was discussed in the

Imperial House. Sir Michael Hicks Beach speaking in reference to this in the House of Commons on the 9th February 1892, said :—

The treaty of 1862 with Belgium, and the treaty of 1865 with the Zollverein do not prevent the establishment of any kind of relations between the Colonies of this country. All they do prevent is the establishmen of, so to speak, preferential relations between the United Kingdom and one of the Colonies of the United Kingdom.

He is quite clear upon that. Mr. Balfour, on the 29th March in that same year, speaking also on this question, said :—

The self-governing Colonies were free to form commercial leagues among themselves. Great Britain would only become a party on the condition that Belgium and Zollverein receive similar treatment.

Although this next is not pertinent to the present discussion, it is to the proposal I spoke of yesterday. He went on to say :—

Her Majesty's Government had no information which led them to believe that the Colonies were desirous of adopting such a policy (that is the trade arrangements within the Empire), but should there be a desire for such customs union, it would be the duty of Her Majesty's Government to consider how these treaty restrictions could be removed.

That I think is a very important and very pregnant sentence by a member of the government at that time, but, which I have no doubt, would have as hearty a recognition by a member of the present government. Although we get advantages, I am not going to say the British Government does not find very great difficulty in acceding to a request of this kind. She has treaties with Belgium and the Zollverein which are of very great benefit to her. If these two powers should say: "We will not let the "Colonies out except we break or denounce the whole treaty," then Britain's commercial advantages come up and must be considered, and we as colonists must admit at once that it is the balance of advantages; and if we belong to the Empire it is possible that we may have, for the greater advantage, to submit to disadvantage for ourselves. But what we ask is the least possible. That is that the Colonies should be left out so far as the Belgium and Zollverein trade is concerned, and their trade with the Colonies is the least important trade, and I do not think it would be impossible in the course of negotiations, with the sweeping changes that are taking place, especially with Belgium as regards her arrangements in different parts of the world, that on some auspicious occasion the Colonies may be dropped out from that without necessitating the breaking of the whole treaty, which is admitted to greatly benefit Great Britain. But, let us press this as our view, subject of course always to the Imperial consideration, so that whenever the time comes that we can be let out we shall have the opportunity. Why is it that a colony of 5,000,000 of people to-day, independent so far as its customs are concerned, with an independence given to it readily by the British Government itself—why is it that we should be kept from making good arrangements for ourselves from a trade point of view? It is because in 1862, before we were born, we happened to be included within a treaty within the bounds of which we would not now be by the expressed understanding with Great Britain itself—because in no case does she include a colony without the consent of the Colony. Why should we be held under this treaty? It is an anomaly. It is a grievance that we should be hampered or restricted by these conditions. But they are there, and we must recognise that they are there. We were within the womb of the Empire then, and we are in the lap of the Empire now. We submitted to this cheerfully, but on ground of right we ask for it to be seriously taken into consideration, and if there is any possible means whereby we can be let out of that, let us go far ahead of that sentiment which is strong to-day in the British Empire, and will be stronger in after years, and claim that something more is due as between children and mother in matters of trade than is given to foreign powers, who are in a state of armed opposition, so far as trade is concerned, to the mother country and every part of her dependencies.

Sir Henry de Villiers.—In regard to the condition of the treaty there is one fact lost sight of, and that is, in the advantages given to Great Britain by Belgium and the Zollverein the Colonies of the British Empire are entitled to share. We share in them, and, therefore, before the Imperial government should denounce these treaties, we must ask ourselves whether our respective Colonies are prepared to lose the rights given to them at present under the most favoured-nation clause in the Belgium treaty and the Zollverein.

The President.—There is nothing in either the German or Belgian treaties as I understand their provisions, that gives any advantage to Great Britain or Canada over

other countries. France is not a party to that treaty, but she has the same advantages in the markets of Germany and Belgium that England and her Colonies have. Her treaties are not based upon the principle of French treaties. France has a minimum and a maximum tariff. Her tariff is open to the whole world, hence we received no advantages from the treaties which exist at present over any other nation in the way of tariff in either of these countries.

Lord JERSEY.—Sir Henry was referring to the privileges—besides tariff privileges, and we should consider these. The treaty deals with many subjects.

Sir HENRY WRIXON.—Mr. Foster has put most clearly the view I was going to submit, and which I hope the Conference will adopt, and which I hope the Chief Justice may see his way clear to adopt too. I prefer the way Mr. Fitzgerald puts this question. We do know what we want. The two things we want are the abolition of that prohibition as regards the Australian Colonies, and the other is the removal or denunciation of the particular clauses in the two treaties which prohibit commercial arrangements between the Colonies. These are what we want. The Chief Justice puts it so exceedingly vague that it would convey to anyone reading our resolution that we didn't know what we wanted. He says, in the opinion of this Conference, any obstacle should be removed by legislation or otherwise. The obstacles are not mentioned in the resolution.

Sir HENRY DE VILLIERS.—Supposing the Law Officers say the treaties are not obstacles?

Sir HENRY WRIXON.—I will come to that in a moment. I want the Conference to see that we have made up our minds what we want. We do know what we want, and I certainly think it would be better that this Conference should adopt a more concise way. We have already gone half-way. My resolution is adopted. The only objection is what the Chief Justice has just indicated. What he says is that these clauses in the Belgium and Zollverein treaties do not really prevent commercial arrangements.

Sir HENRY DE VILLIERS.—I say we are not entitled to assume that they do.

Sir HENRY WRIXON.—All I can say is that if this is so it has been kept in the background. It has not been known, and, to tell the truth, the whole of this question has been in a state of progressive development. I think up to a recent period the authorities did conclude that the clauses in these treaties did prevent this commercial reciprocity between the Colonies. We are entitled to act upon that assumption, because at present we should not assume that those clauses do not interfere, and it is not for us to raise doubts. We are entitled to take what has hitherto been accepted as the fact up to the present time. As illustrative of that I refer to a memorandum laid upon the table of the House of Commons in 1888. The House of Commons passed an address that year asking for a return of treaties of commerce in force between the United Kingdom and foreign nations which precluded preferential fiscal treatment in the case of Colonies and dependencies under the British Crown, and that address was answered in language showing that it was assumed that these treaties did interfere with intercolonial arrangements. And that answer goes on to enumerate the treaties which did so, so that I say as far as we know publicly the writer of that answer puts these two treaties as precluding this preferential trade. I say, therefore, as far as we know it is assumed by the House of Commons and by the authorities, up to a certain point of time at any rate, that these clauses in the two treaties do prevent our securing commercial reciprocity. I think it is better to adopt the proposal of Mr. Fitzgerald, and if later eminent legal opinion says that it is not necessary, we can say that we have erred in very good company. But that is the only objection to adopting the motion. I would suggest to the Chief Justice whether he would not think it better, as we have gone half way in being definite, let us go the whole way in being definite, and adopt the view proposed in the motion. I am not so certainly informed in Imperial matters as to know whether the motion might not include something we do not quite understand. It is so very general in its wording that an absolute resolution asking this to be done may include some things we really are not absolutely acquainted with. I feel it is necessary to be precise in passing a resolution of this kind, and I hope the Chief Justice will not feel bound to press his view.

Hon. Mr. SUTTOR.—I have listened with pleasure to the remarks of Mr. Foster, who so strongly argued in favour of England and her dependencies being allowed to trade with each other on more favourable terms than any foreign power. I can, I am sure, agree with every word expressed by him, but I would like to point out to Mr. Fitzgerald, who has moved his resolution, that if we are going to define the treaties that exist between England and foreign powers he should not stay his hand by only

referring to the German Zollverein and the Belgian treaties. I was going to point out, if a statement we have heard since we arrived in Canada is true, that Canada has entered into a treaty with France by which the Colonies cannot send wine here on more favourable terms than France can. Surely if this is true this treaty should receive consideration at the hands of the Imperial Government as well as the other foreign treaties. I understand you (addressing the Canadian delegates) have entered into a treaty with France by which you allow her wines to come in here on more favourable terms than you allow the wines of other foreign countries, and we have been informed that we cannot send our wines here on the same terms as France. That is putting us under the same conditions, as regards Canada, as the foreign power under this treaty. If you are going to alter the existing treaties we might ask the home government whether it is not desirable to reconsider this proposal made with regard to France, and if they are not going to put their Colonies on more favourable conditions than they propose to put France.

Sir Henry Wrixon.—There is nothing to prevent Canada doing that. There is nothing to prevent our entering into a treaty with Canada in conjunction with the French treaty.

Sir Henry de Villiers.—It could not be more favourable than the treaty with France.

Hon. Mr. Suttor.—If this treaty between France and Canada is in existence we cannot be on more favourable terms than Canada and France. Therefore, why do we stop and leave out this existing treaty between England and France?

Hon. Mr. Foster.—Will Mr. Suttor allow me to correct that impression? There is nothing in the French treaty beyond that it simply confirms that we shall allow French wines to come in at a certain rate, and another clause confirms that if we give to any other country a lower rate, we shall give that same rate to France. There is nothing in that which precludes Great Britain and her Colonies doing anything they please with reference to their internal trade. Thus, Cape Colony and Canada can make an arrangement to-morrow by which Cape Colony wines can come in here free of duty, and French wines will come in at the rate which we had named, so long as we give no more favourable rate to any foreign country.

Hon. Mr. Suttor.—We are all very glad to have heard the explanation of Mr. Foster, but still, pardon me if I say his explanation leaves us exactly as we were before. Mr. Foster's explanation is that we are permitted to come in with our wine on the same conditions that France sends her wine in, but if the Canadian Government and any of the Colonies agree amongst themselves to send in their wine free of duty, France can claim to send her wines in on the same terms. Is that not so?

Hon. Mr. Foster.—That is not my impression of it. I am sending for the treaty now.

Sir Henry de Villiers.—This is the clause. "Any commercial advantage granted "by Canada to any third power, especially in tariff matters, shall be enjoyed fully by "France."

Hon. Mr. Foster.—Cape Colony is not another power.

Sir Henry de Villiers.—Any commercial advantages granted by Canada to any third power, especially in tariff matters, shall be enjoyed fully by France.

Hon. Mr. Foster.—My honourable friend will see that there were two Powers connected with the making of that treaty. One was Great Britain, and the other was France. Great Britain included the Colonies. The only stipulation that is provided by that treaty is this, that we shall give to France the advantage of a certain rate for her wines. That has a rider upon it respecting any third power—what is the third power? It is not Great Britain. It is not France. It is certainly not Newfoundland, and it is certainly not Cape Colony. If we make any arrangement with Austria or the United States, or any power, we have to give France the better rate, but if we make an arrangement to please ourselves, amongst ourselves, in our family of sister Colonies, we can let their wine in at just what we please, and give France no better rate than the treaty gives her.

Sir Charles Mills.—Hear, hear.

Hon. Mr. Suttor.—We shall be permitted to make an arrangement altogether outside of this treaty between France and England.

Hon. Mr. Foster.—Quite so.

Hon. Mr. Suttor.—I am glad to hear that is so. As regards Sir Henry de Villiers's resolution, if we consider the light in which this resolution may be read outside this Conference, we shall appear to have repeated ourselves, and without the explanation touching this resolution of Sir Henry de Villiers, the resolution submitted might be considered similar to the one the Conference has already decided upon. In that view, I think it would be well if we could adopt some other means of expressing the ideas he wishes to have confirmed by the Conference, and on the other hand, there may be something in the objection raised by Sir Henry de Villiers to the effect that Mr. Fitzgerald's resolution may be too mandatory to receive favourable consideration at the hands of the home authorities. Since this discussion has been going on, I have drafted roughly an amended resolution which Mr. Fitzgerald might listen to in order to see if it will meet his views, and also those of Sir Henry de Villiers. I only refer to treaties, and leave out the other obstacles, because of Sir Henry de Villiers's statement, that at the Cape there is no necessity for Imperial legislation. Simply with a view of making this resolution more general, and meeting to a certain extent Sir Henry de Villiers's objection, and taking in Mr. Fitzgerald's resolution, I would suggest whether it would not be well to adopt some such resolution as this:—That this Conference is of opiniou "that any provisions in existing treaties between Great Britain and any foreign "power, which prevent the self-governing dependencies of the Empire from entering "into agreements of commercial reciprocity with each other, or with Great Britain, "should be removed."

Hon. Mr. Fitzgerald.—That is Sir Henry Wrixon's motion over again.

Hon. Mr. Suttor.—I would not ask for a division on the subject. I submit it as a proposition to get over the difficulty which seems to exist in the minds of some members of the Conference as to whether they could vote for one resolution or another.

Hon. Mr. Playford.—Mr. Fitzgerald's motion will not do. These are not the only existing treaties that bear on this question. He covers too small a ground. If he looks at the address delivered to us by the Chairman, he will see a reference there to this particular subject. He will see quotations there of a memorial that was forwarded by the Parliament here to the Imperial House on the subject, and the last clause of that memorial shows that they did not confine themselves in their representation to that at all. That memorial reads:

The Senate and House of Commons therefore humbly request your Majesty to take such steps as may be necessary to denounce and terminate the *effect of* the provisions referred to *as well* in the treaties with the German Zollverein and with the Kingdom of Belgium *as with any other nation in respect of which such provisions are now in force.*

The last words are in italics evidently to lay special stress upon them.

Hon. Mr. Fitzgerald.—What is the date of that memorial?

Hon. Mr. Playford.—1892. The only contention is that the motion is too confined. It is confined to two treaties, and, as I suspected, there are many other treaties. I am under the impression that the motion that has been moved by the representative of New South Wales, Mr. Suttor, will cover the ground.

Hon. Mr. Thynne.—It seems to me we have gone away entirely from this question to a question of words. I think we have, to a large extent, gone away from the practical aspect of the question we are discussing, and have allowed ourselves to be involved in two or three forms of expression. What we ask to-day is to get the power amongst ourselves to enter into reciprocal arrangements, and we assume, very strongly, that these treaties of Belgium and Berlin prevent us from doing that, I do not think at the present moment there has been any proposed reciprocal arrangement suggested at this Conference which would in the slightest degree interfere with either of these two treaties. Look at the wording of the Belgian Treaty, and you will find that the restrictions that are placed in favour of goods of Belgian manufacture or Belgian raw material, and that the same thing applies to British productions or manufactures. Now, is there any one subject of trade that is likely to be subject to reciprocal arrangements between any two of our different Colonies or which is likely to be interfered with by the restriction placed by that treaty. I cannot think of one. Take any article that is produced in Canada that we are likely to take to the Australian Colonies that would interfere with that treaty. I know of nothing that will come from Belgium or Germany that will in the slightest way compete with the production of Canada.

Hon. Mr. Playford.—What about implements and so forth?

Hon. Mr. Suttor.—Or ironworks.

Hon. Mr. Thynne.—You import iron from Belgium. You are not likely to export that iron to us. Each Colony has got to look at what it produces to see whether it is likely to be produced in any other of these countries. Now take a practical point. Suppose a reciprocal arrangement is made between Canada and the Colony I represent on two articles, one of which is a production of Canada which we have not, namely, the salmon. We produce, on the other hand, sugar. Supposing that these are the subject of our reciprocal arrangement. If we let in Canadian salmon duty free and Canada admits our sugar duty free, you see there is a practical proposition.

Hon. Mr. Foster.—Go outside of natural productions.

Hon. Mr. Thynne.—Take these two things; they would not be affected in the slightest degree by German sugar.

Hon. Mr. Foster.—Beet-root sugar can come in from Belgium.

Hon. Mr. Thynne.—In Australia we have put a duty on sugar manufactured from beet.

Hon. Mr. Foster.—But we have not.

Hon. Mr. Thynne.—There is no difficulty in it. The increased duty has been put on to protect the production of cane sugar against bounty-fed beet sugar.

Hon. Mr. Foster.—The very moment we let your sugar in free, Belgium comes up and says we will send in sugar free too.

Hon. Mr. Thynne.—Where is your sugar produced? In Belgium?

Hon. Mr. Playford.—Yes, plenty of it—beet-root sugar.

Hon. Mr. Foster.—We import hundreds of tons of beet-root sugar now.

Hon. Mr. Thynne.—You should import cane sugar in preference to beet sugar. For tariff purposes the two articles may be treated quite differently. I can see no difficulty with regard to the two questions. When difficulty arises it is quite time enough to ask the Imperial Government to interfere with the commercial treaties for the sake of some practical purpose, and not for some mere hypothetical proposition which may never require practical solution. I think our great success in our business throughout the Empire is because we have waited until the occasion for practical work has arisen before making a change. Before we can offer to the Imperial Government any single practical instance in which we are desirous of entering into reciprocal trade, which instance is interfered with by the Belgian or Zollverein treaty, we are asking the Government to do a thing we ought not to ask them to do, and we ought to postpone making that request until we come to a better understanding, and find whether we are prohibited from carrying on the extension of that trade. We are in this position, too, so far as Australia is concerned, that for 20 years we have had this power of making a mutual agreement, yet we have never exercised it. Now we are asking the Imperial Government to go further and interfere with their trade with other countries before we are able to offer them some practical object that we are anxious to carry out, and which we are prohibited from doing by that treaty. Let us wait until the necessity arises. When it arises I have no doubt our request for the alteration of these treaties will have full weight with the Imperial Government.

Hon. Mr. Foster.—I do not think my honourable friend points to the present difficulty. Supposing that you and we to-day wanted to make an arrangement as between sugar and salmon. You will say: "We will give you your salmon free into our country if you will give us our sugar free into your country." That would be the present contingency. The very red hot moment you make that proposition and put it in cold black and white on the Statute book, under that Zollverein treaty, in so far as Sir Henry de Villiers thinks it would permit them to, ship loads of beet-root sugar could be sent over from Belgium and Germany free as well.

Hon. Mr. Thynne.—The question between cane sugar and beet-root sugar is actually disposed of now. We have succeeded in some of the Colonies in putting a heavy import duty on beet-root sugar. It is against all countries. Cane sugar is not similarly taxed.

Hon. Mr. Foster.—We possibly could not do that.

Hon. Mr. Fitzgerald.—After this discussion I haven't the slightest objection to adopting the form in which Mr. Suttor has moved his motion. It embodies all I want.

The President.—We are not considering Mr. Fitzgerald's resolution now. The resolution before the chair is Sir Henry de Villiers's motion. While Mr Fitzgerald's motion stood first upon the order paper Sir Henry de Villiers asked permission to move his motion first, expressing the opinion that probably Mr. Fitzgerald would, after hearing his explanation, withdraw his motion. Mr. Fitzgerald declined to do that, and I understand Sir Henry de Villiers presses his motion. The motion in amendment to be voted upon is Sir Henry de Villiers's.

Mr. Lee Smith.—I do not pretend to have the same expert knowledge on this question shown by so many gentlemen who have spoken, but if I may be pardoned for saying so I think the discussion is something of the kind of a debating society's programme. I can clearly see we all desire the same end, to remove all the obstacles that are and may exist as to carrying out what we desire. It is no use wasting our time discussing the way we all ought to agree upon. I think if we took the two motions together, or probably Mr. Suttor's motion, we might meet the difficulty. We should stick to this matter and get what we want, and I hope the Conference will take steps to bring the matter to a conclusion as quickly as possible.

Sir Henry de Villiers.—I must admit that my resolution, if carried, will involve the rescinding of the resolution that has already been arrived at. Unless we are unanimous I could not possibly press my motion. The first resolution was carried at a time when I was not aware it was going to be put. That resolution implies that Imperial legislation is required to enable the Colonies to enter into reciprocal arrangements with each other. That is a general proposition. Imperial legislation is required to enable certain Australasian Colonies to do certain things, but not to allow the Colonies of the Empire to do certain things. As that resolution has been carried, and as my motion will serve no good purpose unless unanimously agreed to, I will, with the leave of the Conference, withdraw my resolution in favour of the proposal of Mr. Suttor, which is a better one than the proposal of Mr. Fitzgerald.

Hon. Mr. Fitzgerald.—I willingly withdraw the motion of which I have given notice in favour of that in the form of the motion given by Mr. Suttor.

The President.—Both motions are now withdrawn, that is the motions given by Mr. Fitzgerald and Sir Henry de Villiers. The discussion will therefore be continued on the motion of Mr. Suttor.

Hon. Mr. Forrest.—I am not going to object to the withdrawal. It seems to me, however, that the discussion would have been more appropriate had the question been that of commercial union between England and her Colonies, and protection against the rest of the world. I would have voted for this form. But at the same time I would say we would be premature in asking England to immediately interfere with existing principles. I vindicated my reason for this in the first remarks I made here. The foreign trade with England at the present moment is an immense one, and that trade may be seriously interfered with if we ask England to cancel the existing arrangements with Belgium and other countries. And gentlemen, the foreign trade of England is of the vastest importance to Australia. I look upon England as the great agent for receiving our raw material and distributing it, after manufacturing, throughout the world. It would be impossible for us to distribute our products without the assistance of England. I say again if we do affirm a principle of commercial union I would recommend that we hasten slowly, because we are not prepared. Supposing other countries followed our footsteps, and supposing they said to England: "If you do "this we will cancel our treaties with you." Supposing we limited the foreign trade of England, is it not as clear as the sun at noon day that we are thereby limiting our own trade? We cannot get on with these matters unless we define our terms. The words "obstruction" and "disability" have been used. I do not consider the treaties with other countries that we are proposing to cancel as disabilities. It is very much the other way. It is owing to these treaties that we are able to get a market for our productions. Therefore, I think we ought to approach the question of their cancellation with very great caution, and more particularly seeing that the Colonies at the present time can make any arrangement they think proper amongst themselves. If there is anything in the remarks of Sir Michael Hicks Beach and Mr. Balfour as read by Mr. Foster, the Colonies can at the present time enter into an arrangement without any further legislation. I think at the same time that what is looked upon as a disability

is very far from being a disability as far as we are concerned, and you will understand that in making these remarks I am in favour of a commercial union between England and her Colonies, a free trade one if possible, and if not free trade a differential tariff in favour of England and her Colonies. But such a change must, in my opinion, be of slow growth, otherwise the cure may be worse than the disease.

Sir Charles Mills.—May I be permitted to say one word with regard to the statement of Mr. Thynne. He questioned the trade of Belgium with Her Majesty's Colonies. Now the Cape has one of her mail steamers calling at Antwerp every week, and I am sure she does not go there for nothing. There is a trade between the Cape and Belgium and contra. We want to get our farm implements from Canada, and we want Canada to take our wine and other products under reciprocal arrangements. Belgium at present supplies an immense quantity of agricultural implements, and in the face of that treaty, should we make any arrangement with Canada the Belgium Government might naturally claim the right to deal with us under the same terms that we deal with Canada. I admire the remarks of Mr. Foster, but I admire a great deal more what he said when he removed a great fear from my mind with regard to the French treaty. When I heard of that treaty and also heard that one or two of the Australian Colonies had entered into a cable contract with a foreign power, I began to fear that in all these commercial transactions, there had been a great deal too much human nature evidenced between the contracting parties. I was delighted to hear from Mr. Foster that the Cape could introduce her wine into Canada on the same terms in which we would permit her lumber and agricultural implements to be introduced into Cape Colony. France has already a great advantage over the Colonies with regard to her wine trade, on account of her being so much nearer to Canada than we are, and because our wines have to travel across the equator, a very dangerous matter for light wines. Therefore, France has already the advantage, and if we are placed on the same footing as regards the importation of wine into Canada, with France, we should be entirely at a disadvantage. Therefore, I was delighted to hear that we could be placed on a footing with regard to our exports to Canada, without France having the same privilege.

Hon. F. B. Suttor's motion was then adopted.

Hon. Mr. Foster then gave notice of the following resolution :—

Whereas, the stability and progress of the British Empire, can be best assured by drawing continually closer the bonds that unite the Colonies with the mother country, and by a continuous growth of a practical sentiment and co-operation in all that pertains to the common welfare ;

And whereas this co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products ;

Therefore resolved :

That this Conference records its belief in the advisability and practical possibility of a customs arrangement between Great Britain and her Colonies by which trade between the Empire may be placed on a more favourable footing than that which is carried on with foreign countries.

And further resolved :

That pending the assent of the mother country to such an arrangement in which she shall be included, it is desirable that the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take immediate steps to place each other's products on a more favoured customs basis than is accorded to the like products of foreign countries.

THE PACIFIC CABLE.

The President.—The debate on the resolution submitted by Hon. Mr. Suttor having been adjourned in the forenoon at the request of the Canadian delegates, for the purposes of consultation, Hon. Mr. Foster will be asked to proceed with the discussion.

Hon. Mr. Foster.—As I stated the other day in the course of the debate I have been a very interested listener of the discussion which was going on in reference to cable communication between Australia and the other Colonies of Great Britain. The discussion has taken, of course, a wide range, commencing with the idea of a cable communication between the Australian Colonies and Canada, and then widened by my friend Sir Charles Mills into an ultimate connection by an independent line with Cape Colony; and, before that, widened still more by Mr. Fleming in what struck me as being a very comprehensive and very excellent plan for cable communication between Great Britain and her Colonies on the lines of security as well as of efficiency. I am quite free to say as a layman, if we were beginning anew and commencing the construction of cables, that it does seem to me the plan outlined by Mr. Fleming, for communication between the head of the Empire and its different parts could be very little improved upon, and would be one which combined the commercial advantages of intercommunication and security, that it would have been followed by the governments and

people of those countries which are affected thereby. The first thing that struck me with reference to the cable communication was, as to the difficulties that are in the way; secondly, as to whether those difficulties could be surmounted; and thirdly, as to whether or not the considerations are sufficient to make us surmount them; and fourthly, as to the ways and means by which they could be surmounted. Certainly the difficulties of arriving at a conclusion and the absence of definite information at present are very considerable, and they have been set forth very carefully and very boldly by my friend who sits behind me (Mr. Playford) to whom I think this Conference is indebted for the outspoken statement of the case he presented. It is the mind of a man who is not over-much in favour of it, but who is yet practical and clear in his perceptions of what is in the way of the successful accomplishment of the work. There are difficulties. The question that would come up is, as to whether these difficulties were insurmountable. Here you have several primarily interested Australian Colonies, as well as to a certain degree New Zealand and other subsidiary Colonies lying between us and New Zealand. Then you have the Dominion of Canada, a sort of half-way house as it were, interested as well, to a certain extent; and then you have Great Britain with her general watching and guarding of Imperial interests, with regard to whom all the members, I think, of this Conference believe that the defence, protection and cohesion, so far as the Empire is concerned, would be very much strengthened and helped by the construction of the cable which is under discussion. Here are large interests, and these interests, it seems to me, are strong enough to make it necessary that the most careful considerations should be paid to the matter as to whether or not, the advantages that would accrue are sufficient to begin intercommunication over this route, over these different sections, to undertake the construction and the maintenance and working of the cable as it has been proposed. There are two interests with all of us, I think. I do not think that you can separate these three divisions under these two interests. There is the commercial interest. Now, it may be said that Great Britain has small commercial interests in this line of communication with the Australian Colonies. I think she has a large commercial interest. She is the head and centre of the commerce of the world, and very much of that commerce of which she is the head originates in those outlying dependencies, and she returns the manufactured products over the whole world. Therefore, if by the construction of these lines the cost of telegraph and cable is lessened to an appreciable extent, as may follow by the construction of this line, Britain's commercial interest in the line is considerable after all. If you take the transactions in number and amount which emanate from London or from Great Britain in the matter of trade, you may find that they will come very largely up to the sum of those which emanate from the Colonies or from Canada, so she has a commercial interest in Australasia. So I do not think we ought to consider this question alluding to Great Britain simply as having Imperial or defensive interests in the matter. When you come to Canada you have also these double interests, but in a lesser degree, as Canada occupies such a position with regard to her present communication with the Empire, and as far as Imperial interests are concerned touching her, and as far as defences are concerned touching her, she has just as good cable communication to-day and telegraphic communication to-day as she would have if this line were constructed between Canada and Australia. Therefore, her interests in the matter of the Imperial consideration is less by far than either that of the mother country or Australasia. When we come to the commercial matter the same may be said. The commercial transactions which have hitherto taken place between us and Australia have been altogether too few and too small. We believe that they can be largely increased. We do not know how far. That depends upon the future development, but taking a fair survey of the situation of the products of Canada and Australasia, there ought to be no reason why, under fair conditions, present trade should only be the beginning of a very large trade between two sections of the Empire. So that if she has now a relatively small commercial interest we all believe that that commercial interest will grow, and as that grows, the importance of the cable in that respect will grow as well. When we come to the Australasian Colonies we find that double interest, strong. It is true, as has been pointed out, that for commercial operations you have in the Australasian Colonies, a communication with the civilized world. You have a communication at a somewhat exorbitant charge. You have one line of communication, whereas under the proposed construction of the cable you will have two, an alternative one with all the benefits that would accrue, certainly in cheapening of the cost, by having two lines. These two lines would be competitors to each other, so that the commercial interests of Australasia although not absolutely tied up in this line, are yet very large in the proposed cable. The defence interest or Imperial interest is also

strong. They are far outlying, and they depend very largely upon the quickness and surety of communication between the head of the Empire as to security, and the defence of the outlying interests is a very deep and a wide interest. I would, if I lived in Australasia—I would evince the same earnestness that you have shown here as favourable to that line of communication. What I wish to point out is this: We are here to take account of sentiment, to take account of Imperial interests, but we are here as well for the purpose of talking business and of looking at the point from the country's standpoint of selfish interests as well as from others, and whatever is to be done in this country, whatever is to be done in your country or Great Britain, must be approved of by the legislative bodies of these countries, and we must have some points and some ground upon which we can base the propositions that we give to our respective governments. When we come to meet the Parliament of Canada with a proposition with reference to this cable, we must show, I think, the position of Canada with regard to it, and the interest she has in it when that will come under cool criticism. The object of my speaking so far has been to show that of the three members of the groups which have been talked about in this discussion, probably Canada has less selfish interest than any of the others, her commercial interests being much less and her interest, so far as protection and defence is concerned, not being very largely dependent upon that construction, owing to the good means of communication which she possesses already. But, sir, outside of that, we in Canada have not undertaken what we have without there growing up within us a very strong imperial feeling. The unity of the Empire, the security of all its parts, the inter-dependence of these parts, are articles which have worked themselves into the creed of every Canadian—and, sir, we would not be worthy of our history, and we would not be living up to our development of the last twenty-five years, if we cut ourselves in the least away from the Imperial interests, the interest of security and cohesion, which I think are the great interests of the Empire of which we form a part. So that taking that into consideration, it would be most ungenerous of Canada, if she were to measure what she would do in this respect by the mere amount of selfish interest that she has in it, by the mere amount of material good which is probable at first to accrue to her out of the construction of this line. Having said that much, I want to go back to another point, to another subject which is practical. I said that there were difficulties in the way. Here are a set of gentlemen meeting around this table with the representative of the Imperial Government, who, if he makes any representations to the Imperial Parliament, must give them not simply sentiment but hard facts, something to act upon, as Lord Jersey very properly pointed out, and we must take cognizance of things as they are, and things as they are seem to me something like this: Granted that sentiment is in favour of the cable, do you know the character and quality of the ocean line which you have to traverse? You do not. A certain portion of it is fairly well known. Many parts of the ocean are fairly well known, but every practical man knows that in these matters it is not fair to judge of the quality and character of the ocean bed from data known of an ocean bed eight or nine hundred miles distant. No man would undertake to engineer the railway, the great road that we built through the Rocky Mountains, without a preliminary survey. Before it was built millions and millions of dollars were spent upon an experimental survey. No government would have entered into a construction of that kind or felt itself in the position to give assistance in building it unless these millions had been spent before a single rail was laid or the route mapped out. It seems to me that if that is true above ground, it is equally true below the surface of the ocean. As business men we cannot go to our Governments and ask them to assist us in building this cable line as there has been no exploratory survey, and we do not know the character of the bottom. Consequently, we can place no fair estimate of what it will cost, and that is the first thing. Practically following upon that is this: When you come to ask a Parliament to pledge itself financially you will have to give the whys and the wherefores. Sentiment will not do, and you have to say to Parliament, when you move your proposition, that there is a practicable route, and you will have to give a fair estimate of what it will cost. You have to say to Parliament what your estimate is of the cost and ask support for the Government. That is practically the way in which it has to be done. There is no survey as yet. My view is this, and it is the view of my colleagues as well, because we have sympathy with you. We want you men from Australia to believe that we have sympathy with you in your feeling, and that while we are prepared to do more than re-echo that sympathy, still we, as practical men, say that the first thing we think ought to be done is to have a survey and an estimate. So far as Canada is concerned, she is willing to pay her third share of all the expenses of that survey and of that

estimate. Now you may say that that does not go far enough. I think it does go a good way if the Government of Canada is willing to take this matter into its hands and go to Parliament and say: "We have gone in with our brethren in Australia for "a survey of the Pacific Ocean to estimate the cost of building a cable." That is going just as far as is reasonable. Canada is willing to do her share in the procuring of that survey; but she is not going to pledge herself for an unknown amount to be expended over an unknown course, and the first thing we think is necessary is to have a survey of that as soon as we possibly can, not giving the Imperial Government any rest or surcease until they put two or three vessels out on that route and survey it right up sharp within a year or eighteen months. Canada will pay one-third of the cost, and England should pay one-third, and the Australasian Colonies the other third. I think that is a fair proposition, and one which I think our mother country will not consider unfair. That is what we propose to do, and we propose to say to the Conference assembled here that just as soon as that survey and estimate are obtained Canada is willing to meet with the Governments of Australia and the home government, and to do her share towards the completion of this great line of intercommunication by cable. We do that for two reasons, not because we expect to get a present benefit, but because we expect to see the Empire made stronger by that cable communication, and because we hope also to have a constantly increasing flow of commerce and communication between Canada and the Australasian Colonies, and as the cable goes, and as the commerce grows side by side with it, our people will reap the benefit as your people will reap the benefits and results which will come from the action of us all. Now I hope that in saying this I have made myself thoroughly understood, and the position of Canada thoroughly understood in this matter. I think we must do something practicable, and we are willing to put our hands in our pockets with the Imperial Government and get at that something practicable in as short a space of time as possible. When this is done, Canada will do her generous share in bringing about the construction of the cable if it be proved to be feasible at all. Now, I must say, personally, that I think that the feasibility of doing that will depend upon this. It will depend upon the Imperial Government helping the Australasian Colonies and Canada. I do not think, personally, that it is possible for Australasia and Canada to shoulder that expense of doing this all by themselves. I do not believe that we should be asked to do it. I think that the Imperial Government should assist. I think it would be undertaking very heavy responsibility for the two Colonies to take upon themselves the burden which I hope would not be put upon us by the home government which has an Imperial interest, constantly strengthening, and which is in the line of distinctly selfish interest in one respect in having these lines of communication. Now, with reference to Sir Charles Mills and his proposition, all I can do to-day is to extend to him my sympathy. It would be a most excellent thing to have that afterwards carried out, and have a cable from the Australian Colonies to Cape Colony. That is a matter which we hope we will see in the not far distant future, because these two lines of communication would make the most desirable communications as between the different parts of the Empire.

The PRESIDENT.—Of course this is an abstract resolution, and the address of Mr. Foster is more particularly applicable to Mr. Thynne's resolution. I suppose there will be very little objection to the resolution now before the chair, which reads as follows:—

That, in the opinion of this Conference, immediate steps should be taken to provide telegraphic communications by cable free from foreign control, between the Dominion of Canada and Australasia.

The resolution was carried.

Hon. Mr. PLAYFORD.—You understand that I do not vote on this occasion. So far as South Australia is concerned our representative has never voted one way or the other when this question has been considered by colonial or at the Imperial Conference in 1887. We do not object to the cable as long as it is required for public and Imperial interests.

CABLE EXTENSION TO THE CAPE.

The PRESIDENT.—Sir Charles Mills has altered his proposed rider to Mr. Suttor's motion, to read as follows:—

That it is for the interest of the Empire that, in case of the construction of a cable between Canada and Australasia, such cable should be extended from Australasia to the Cape of Good Hope; and that for that purpose arrangements should be made between the Imperial and South African Governments for a survey of the latter route.

Sir Charles Mills.—I think the motion I propose to add to the resolution is exactly what Mr. Foster has so well expressed as being the desire of the Canadian Government, and also in accordance with the expression of the views of Mr. Playford. I quite hold, as I said this morning, that it is utterly impossible for any government to form an idea, either of the route or the cost of the cable, without a proper survey, and I think I have put the necessity of the survey in such strong terms in that motion that Her Majesty's Government will not delay in carrying it out.

The President.—Of course the Conference will understand that in adopting this motion it asks the Imperial Government not only to survey this route between Australia and Canada but between Australia and the Cape, and in that case, should this be adopted the Cape will be prepared to pay its proportion of the survey. That would follow, I suppose, as a matter of course. I make that remark based upon the statement made by Mr. Foster just now, that in the survey which we are asking the Imperial Government to make at once between Australia and Canada, that Australia, Canada, and the British Government will each pay one-third.

Sir Charles Mills.—I am not aware that any of the representatives of Australasia have pledged their governments to pay their share of the survey.

The President.—I take it for granted from the motion of Mr. Thynne, that he lays it down as a principle that the cost of the construction and maintenance will be borne in those proportions.

Sir Charles Mills.—That motion did not pass, but falling back on the words of Mr. Foster that the cable between the Australian Government and the Cape would be matter of the future, I do not see why the Cape Government should now bind itself to an expenditure which is so far distant.

Hon. Mr. Foster.—I would just like to point out to Sir Charles Mills that this resolution, I am afraid, has a little of the weighting down in it, has it not? Now, what was taken up in 1887 was the question of having cable communication between Australia and Canada. That was what was in the resolution that was passed. That was what the British Government were urged to survey. This goes further, and it asks the British Government to undertake to survey, not only that, but the wide distance between Australasia and the Cape, and the expense of that survey, I suppose, would be one-third more. I do not know what the distance is exactly.

The President.—About 7,000 miles.

Hon. Mr. Suttor.—It is further to the Cape from Australia than the proposed route.

Sir Charles Mills.—I gave that this morning, and showed that the greater part of these seas had been surveyed and are well known.

Hon. Mr. Foster.—Do you know the distance unsurveyed between Australasia and the Cape?

Sir Charles Mills.—Following the route from Australia to the Straits Settlements and from there to the Mauritius and from the Mauritius to Natal—I do not think there is any that has not been surveyed.

Hon. Mr. Foster.—Then it would not be necessary to call upon the British Government to survey that.

Sir Charles Mills.—If there is any part that has not been surveyed then it will have to be surveyed.

Hon. Mr. Foster.—Would Sir Charles Mills have any objection to altering one word? Instead of saying "thence" say "thereafter," that would make the survey as between Canada and Australasia, and thereafter with an extension to South Africa?

Sir Charles Mills.—If that meets the wishes of the Conference, I will bow to the opinion of the Conference?

Hon. Mr. Foster.—That would meet my views.

Lord Jersey.—Are we to understand, supposing the Conference carried Sir Charles Mills's rider, that it would mean the British Government would be expected to make the survey and the cost of that survey would be shared by Australia and by Canada. Nothing has been clearer than the expression of the various delegates that whether it is required by Her Majesty's Government or not—of course I cannot say whether it will be required—they would be prepared to recommend their governments to take a portion of this expense. Then here is another line which is proposed, and I should

like to know whether the expense of that survey is intended to be borne partly by Australia and Canada or not, or whether the new line would have to be surveyed alone by Her Majesty's Government, or would it be a matter between the Cape and Her Majesty's Government?

Sir Charles Mills.—That would be a matter of arrangement between the different governments. St. Helena comes in and Ascension comes in also.

Lord Jersey.—Therefore I am to take it that at present you form no opinion whatever, as to how the expenses of that survey should be met. It was only for my own guidance that I asked the question.

Hon. Mr. Suttor.—The rider proposed by Sir Charles Mills I do not feel myself in a position to approve of. We have come here with a definite object, and that object was to consider as favourably as we could any proposition made for the construction of a cable between Canada and Australasia, and so far as I can I am quite prepared to pledge my government to any proposal at this stage to assist in the necessary survey that would be required, but I do not think that we can possibly at this point agree to a proposition which binds us to another cable altogether. I mean this proposal to connect Australasia with the Cape of Good Hope. The connexion between the Cape and Australia is altogether so different from the position that is now occupying our attention between Canada and Australasia, that I do not think that we can consider at the same time these two propositions. The gentlemen who are representing the other Australasian Colonies, I think have all expressed the opinion of their governments, that they are quite prepared to pay their share of making the survey between Australasia and Canada, but if we are going to add the proposal of Sir Charles Mills to the effect that a survey should be carried on between Australasia and the Cape of Good Hope, and he is not in a position at all to pledge his Government to a share of the expenses of the survey, I, for one, as representing my Government, am not in a position to consider it. If we add such a rider as is proposed by him, we shall pledge ourselves to a proposition on which at present we are very little informed. I do hope, if my motion is concurred in by the other Australasian representatives, that Sir Charles Mills will not press this motion to a division. We have come here, first of all, with regard to this cable matter, and we were invited to consider the question of establishing cable communication between Canada and Australasia. I think as far as the cables are concerned we ought to restrict ourselves to that proposition, and we should not hamper ourselves with any proposal such as the proposition made by Sir Charles Mills.

Sir Charles Mills.—Considering the manifest wish of the members of the Conference, I would ask permission to be allowed to withdraw my proposal as a rider to Mr. Suttor's motion, and to submit it as a motion hereafter.

Conference permitted the withdrawal of Sir Charles Mills's motion.

THE CABLE AS A NATIONAL WORK.

Hon. Mr. Thynne.—Mr. President, I propose to move one resolution at the present moment, as follows:—

That, in the opinion of this Conference, it is desirable that the construction and maintenance of the proposed cable from Vancouver to Australasia should be undertaken by the Governments of Great Britain, of the Dominion of Canada, and of the Australasian Colonies, as a joint national and public work.

The general motion of Mr. Suttor having been satisfactorily disposed of, we should consider the process by which we can bring that resolution into operation. The first and foremost of these considerations is the question: on what basis do we propose to have this proposed line carried out? There are three separate ways. One is by guarantee, another by subsidy, and the third is to have it constructed as a Government work. At this meeting, sir, addressing a body of gentlemen experienced in the systems of Government, I will not attempt to go into a discussion of the different reasons affecting these three different proposals. After the discussion we have had it would be sufficient for me to say, that my Government very strongly favoured the mode of construction which I have moved in this resolution. We think, sir, there are several reasons why this is desirable. You, in the first or second plan, have to deal with a company whose interests may be divergent upon many occasions from the interests of the people who are supporting cable service. We wish, sir, that the governments mostly interested and the people who support a cable of this character, should have in their own hands its working and control, and to have whatever benefit there is from the construction of the cable. In the history of these enterprises, we find, as a rule, that

the construction of new lines of this character are either a very great failure or a very great success. If they are a great failure it is a great misfortune that the loss caused by an undertaking which is really a great public benefit should fall upon private individuals, and also it is rather unfortunate to find that the public who have supported successful enterprises are liable, very often, to get into the hands of a monopoly. Taking it all round it seems the fairer and better way for carrying out an enterprise like this, that it should be in the hands of the people who are commercially interested in having it constructed. If we come to the conclusion that this work should be done as a joint national public work, there should be some practical method by which the work can be carried out. In this work there are the joint interests of the several Colonies, and we have not yet had occasion to find fault with the way in which such an enterprise has been carried on, and the way in which individual governments have discharged trusts reposed in them by other governments. One instance familiar to me, is the trust imposed upon the Colony of Queensland by the other Australian Colonies conjointly with the British Government, in the control of the Government of New Guinea. I think I can claim that the Government has not been found fault with, and we are prepared to place our trust in any Government which may be selected for this arduous duty in relation to the cable. There is one reason that affects me quite as much, if not more strongly, than any of the reasons I have offered. I am very anxious to see the day when almost all the British self-governing communities, including the Imperial Government, will be associated together in one great enterprise, which will, I believe, have a more educating effect upon the peoples of all these countries than all the speeches and letters that could be made or written, and that great enterprise would be an object lesson on the combined control and work, the combined construction, and maintenance and conduct of a big undertaking such as the construction of an important cable line like this must be. That is perhaps not strictly business. It has perhaps a little sentiment in it, but I think, sir, it is a pretty strong sentiment, and one that would be more effective amongst all our people than any other thing that this Conference could bring about by their deliberations. I am not afraid, sir, of the difficulties which we individually in our different Colonies at times experience in connexion with the control by the governing powers of large undertakings. We have had a good deal of experience in Australia in railway construction, and we have also had a good deal of experience of the disadvantages of carrying out works of this kind by the Government, and I think I am not wrong in saying that the greatest disadvantage that did arise from the construction and management of railways by the Government was the introduction of too much political influence controlling the management of the business. But, sir, I think that while that danger exists, and is likely to exist naturally within the borders of one self-governing community, when a large number of the different self-governing communities bind together, objection which is so frequently taken in Australia will not be found applicable to this enterprise. I hope I have not overstated the case in saying that I think we would be entirely exempt from such a danger under the proposal which I have the honour to submit to this Conference.

Hon. Mr. Sutton.—I find myself in this position, that in accordance with my personal feeling and also in accordance with the directions of my government, I am not in a position to support the motion of Mr. Thynne. Hitherto we have noticed that all such works have been constructed by private individuals, and I think it is an innovation to propose at this stage that the work should be undertaken by the different governments concerned and, therefore, whilst the government I represent may be prepared to consider favourably the proposal to subsidize any company when they carry out the work, still their wishes are that no responsibility should be entered into by me, and that the government should not go beyond that guarantee of the deficiency or some added interest to be determined between the parties undertaking this work. That being so, it becomes my duty, if this resolution comes to a vote at all, to resist the proposal of Mr. Thynne. Although Mr. Thynne has expressed the desire and hope that this undertaking shall be assisted by the government in the most friendly spirit, still I think we might fairly ask the representatives of Queensland the steps they would take regarding the existing cable company. The Australian Governments have paid large sums of money towards that company. Queensland has made herself conspicuous by standing out, and they received great advantages and have never contributed towards the deficiency arising between the receipts and expenditure. We are not asking too much by inquiring from the representatives of the Queensland Government what they will do with regard to the other subsidizing Colonies in continuing to assist the present cable communication if his proposal be adopted. I do not think that this is asking too much. I am not in a position now to support the

resolution of Mr. Thynne, upon the ground that my government does not feel itself justified in becoming a party to the construction or laying down of the cable. They are quite willing with the other Colonies to bring about the most cordial relations between New South Wales and Canada. That has been proved by the cordial way in which we met the proposal coming from Canada to subsidize the mail service which is now in existence. My Colony is the only Australasian Colony which has practically assisted Canada to establish a monthly mail communication between Australia and Canada.

Hon. Mr. Playford.—If they will allow the steamers to go to Victoria they will subsidize it too, won't they?

Hon. Mr. Sutton.—I am only mentioning the position as it is. I say that my government is desirous of assisting in bringing about what is considered very desirable means of communication, but we think the laying of this cable should be undertaken by some private company and not by the different governments joining in the manner proposed by Mr. Thynne. We all know the enormous expense of any work in which governments are primarily concerned. Therefore, I think that we should very seriously consider this proposal before we diverge from the lines so well laid down, and let the work be done at the hands of private individuals and the different governments give some guarantee. I am prepared to go as far as that and no further. But, notwithstanding what Mr. Thynne has said, all the Australian Colonies have, within a few years, taken their railways entirely beyond political control. We have removed them from political control, and it must be admitted that grave abuses arose under the system which formerly existed, and necessitated such an alteration in the management of the railways. I feel that the proper course for the governments to adopt in such a matter as this is to mutually agree amongst themselves as to the proportions of guarantees they will allow for the construction of the line at the hands of private individuals, and I think I am right in saying that it has been done in the case of every cable laid below the waters of the ocean.

Sir Adolphe Caron.—In reference to the motion of Mr. Thynne, it seems to me, if I judge correctly, this motion is somewhat anticipating events. A couple of days ago it was resolved that, in the opinion of this Conference, immediate steps should be taken to provide telegraphic communication by cable, free from foreign control, between the Dominion of Canada and Australasia. I think to-day we have pretty well decided, at least it appeared to be the consensus of opinion, that, before any definite steps were taken in so far as construction is concerned, we should have a thorough survey that would place the contracting parties in the position of knowing exactly what work would be undertaken. It strikes me, before we bind ourselves to any specific plan, that having resolved that we should have communication by cable, we should not go into detail as to how the work should be carried out until we first ascertained by a thorough survey what the work is likely to be. Then it will be necessary after the survey is completed to meet and lay down the basis how that can be done as a national work. I would sooner for the present not express an opinion as to the mode. I think it is anticipating events in deciding now whether the work should be carried on in one way or another. The first step is the survey, and once that survey is completed, then it will be ample time for those who undertake the building of that cable to meet and decide as to the way in which it shall be carried out. I am not expressing an opinion as to the way in which this work should be carried out, whether by joint action of the several governments or by joint enterprise. I think it will be ample time when the survey is completed to decide on that point.

Mr. Lee Smith.—I consider that nothing could be more indefinite than this proposal from Queensland. To my mind, sir, none of the governments of Australasia will agree to any such proposition of undertaking this work as a government enterprise without first having exhausted every effort towards finding out whether they could not get this cable built by a company under some form of guarantee or subsidy. I am satisfied my government would not incur any expense as to the survey. It is a question for the British Government or a private company. I feel perfectly certain that the British Government will never take part in carrying out this work for the Colonies. I am as sure as I am here that the British Government will never in our time go into a partnership with the Colonies, in opposition to a private company. I shall oppose this motion. I cannot agree to it.

Hon. Mr. Playford.—Personally, as I have informed the Conference before, I am in favour of this work being done by the governments in preference to its being done by a company. I am quite confident in my mind we will have it done cheaper. You

will have messages carried over the line at a less rate. The governments themselves do not require to make any profit out of it. They will only desire to make sufficient to keep the line in proper working order, pay the working expenses and interest in connexion with it, and if at any time, by an increase of business, the receipts should exceed the expenditure, they will be always prepared to make a reduction in the charges so as to let the public get the advantage. It is precisely the reverse with the company. We start with a subsidy for a time, and the time comes around when that subsidy ceases. What have they got then? An absolute monopoly over which you have not the slightest control. They can charge what they like so long as they do not charge so much as to induce a third party to come in and make a cable to oppose them. I cannot understand how my friend Mr. Suttor, whom I look upon as a highly intelligent gentleman, cannot see it in any other light than that the governments should undertake this work. The argument against it is this, an old-fashioned argument: That because it has not been done by our forefathers we are not to do it at all, that we must not go out of the old rut that we have been running in for all these years. We have gone out of the old rut that has been worn so deep in England with good results. Nearly all the Colonies began by taking hold of the telegraph and telephone from the very first and the whole of the post office management, and taking over practically the whole of our railways, and that has been of invaluable benefit to our people. Take the case of Melbourne; they let private companies start the telephone there. What was the result—they had to buy them out, and they paid dearly for it. So eventually we will pay for these cables. I contend that the people are not sorry that they have got the railway. In South Australia we have managed our railways so that for five or six years they have paid their way and more. When they are once under careful management they can be carried on so as to produce the most beneficial results. I should deeply deplore, in the interests of the Colonies, if the day should come when we should hand over the management of the railway to a company, and I should greatly regret if we should hand over this cable to a company, because in doing so unmistakably there is only one result to follow, and that will be monopoly. Although we are not in a position to say until the surveys are made whether the thing is going to be built at all, I do think it would be a wise thing for this Conference to express its opinion that it should be built by the government in prefence to a company. What will be the result? You call for offers to construct the line; what offers would you get? They must have so many thousand pounds guaranteed for so many years, and that will depend on the amount they charge for messages. If we allow a charge of 4*s*. a word we will do it for a little less than if the charge is fixed at 3*s*., but at the end of the time the company have a big monopoly, and they can then charge what they like, and make a fine thing out of it for ever. In our Colony, we have had some experience in this direction. A company constructed a railway in our Colony from Adelaide to Glenelg, seven miles. It paid handsomely, but because they were making a little money out of it another company made another line to the same spot, and the result was a war of rates. The result was that the two companies found that they were cutting each other's throats, and they could not stand this much longer, so they put their heads together and amalgamated, and up go the prices, and we had to pay a higher price for going over the road than we ever did. You will have the same thing with the telegraph if you hand that cable over to a company. They will run along for a time at minimum rates so long as the subsidies last, afterwards they will combine and put up the rates. It will be one of the saddest things if this line is not made by the government and kept under government control. There is not the slightest difficulty in the government working the cable in the joint interests of the Colonies. It can be managed just as economically by the government as it could be by a private company. What do these companies organize for but to make money? They will issue a prospectus, form a company, and arrange for this work, and a per-centage has got to be put down to pay the original men who started it. They get a certain number of shares free, and then their stock is watered. Who pays in the long run but the people? Do you think you are getting it done cheaper in that way? You are getting it done in the dearest way. If this cable should be built by the governments, let the governments have full control of it not simply for our own generation but for future generations.

Hon. Mr. Suttor.—Will Mr. Playford answer this question: He declined to vote upon a resolution I submitted myself that it is expedient to construct this cable, but he is now advocating the proposal to construct it by the governments. Is he speaking for himself or for his Government? Is his government prepared to assist the other governments in the construction of this line?

Mr. Playford.—I told the Conference that if this line was required for public and Imperial purposes our government will never in any way stand in the way. I am giving not only my own opinion but the opinion of my own Government and, I believe, of the majority of the people of South Australia. If the work is done at all it should be done as a government work.

Hon. Mr. Sutton.—Will they assist?

Hon. Mr. Playford.—They will as far as they ought.

Hon. Mr. Sutton.—Will they join in the construction of the work under Mr. Thynne's proposal?

Hon. Mr. Playford.—Yes, we will if due consideration is given to us with reference to the previous work carried out. We have built a certain amount of line which you should take into consideration, and we are quite willing, if this cable across the Pacific is to be laid, to pay our share with the other Colonies, fair allowance being made to us for what we have done.

Hon. Mr. Fraser.—I agree with a great deal of what has been said by Mr. Playford on the advantage of government control in a matter of this kind. While I agree in every way, I think it would be better for Mr. Thynne not to press his motion just now. It is not the time to press the motion. As far as I know, we will willingly pass the second resolution. If the first is not dealt with just now I do not think it will do any harm at all. I left Victoria with the belief that it would be far better that a company should undertake it, but after thinking the matter over thoroughly and discussing the matter here I have altered my view. If a contractor makes 8 or 9 or 10 per cent. out of it, he is entitled to it. I quite agree with what Mr. Playford has said that it would be better to have this line constructed by the government, and when this comes to be carried out it will probably be carried out under a commission under which the governments would work. I do not think I am quite at liberty to express a definite opinion on this motion.

Hon. Mr. Foster.—I am inclined to think that we must be cautious in proceeding in the matter. Let us see just where we stand? We have already as a Conference decided that immediate steps should be taken looking to the construction of this cable. A good many of us—probably it is the feeling of the majority of this Conference—believe that before we can go very much further we ought to have a fair knowledge of what we are to meet. That is, that we ought to have a survey, and we want the British Government to undertake it, and we, as Colonies, pay our full share of the cost of the survey. Now, has the time come when we either have the knowledge so that we ought to lay down a hard and fast line upon which a cable shall be constructed? I think we are proceeding, may be, in doing that, a little too rapidly. Are we far enough advanced to say the proportion of costs that shall be assumed by the three component parts? We want to get the British Government to make the survey, and we ask them respectfully to help us in the cost of that. Are we not going a little too far when, before we have got even the survey, we lay down hard and fast lines upon which we can meet together to carry out this work? We do not know what may happen to reverse the idea of the different governments between this time and the time to come when we may undertake the construction of the work. It may be found to be impossible, for the information is not certain. I think the desirable thing for us, as a Conference, is to get the route thoroughly surveyed and find out what will be the cost that we shall have to meet. Is not then the time for us to consult together as to what means are best and wise for carrying that proposition out? I am inclined to think objections will be urged by the Imperial Government in becoming a partner in the working of the cable. There are a dozen different contingencies that may come up. Why should we bring up matters like this and proceed to a conclusion when we have divergent ideas upon a motion to be passed, a year or two before we can get down to the actual construction. My view would be that we should not proceed further with this motion, but that we should, and if we are agreed, have the survey made first, then we can consider and find out the wisest and best means to be adopted in order to carry it out. That would be my view. It is certainly hasty that we should lay down the principles now of what we should do. I am not prepared to say that the Canadian Government is ready to go into it as a government work or on a guaranteed iterest on the capital or by way of subsidy. My own views have been changing somewhat. I came to this Conference with the idea that it would better for the government to give a guaranteed interest on so much, and let private enterprise carry it out. My views have been somewhat modified in that respect, and I am still open to

conviction. I could not say at this moment what I think is best, but I am willing to say that my views are, that it should, if reasonably possible, be pushed rapidly towards conclusion; but under the circumstances, I cannot say whether it would be better to carry it on as a government work. As to that I am not sure.

Sir Henry Wrixon.—I would suggest to Mr. Thynne, as he has clearly given his views before the Conference, perhaps he will not find it necessary to press the matter further. There is undoubtedly a great difference of opinion as to whether the Government should undertake it or not, and an exceedingly knotty subject presents itself at this point. A number of us in Australia, have different views, and differ from the views of Mr. Playford. Just imagine for a moment what the condition of affairs in the United States would be if the government owned all the railways. It is a difficult question; there may be reasons, in the case of a cable, for the departure from that general view. It is a problem to solve, but it is unnecessary to solve it now, because it will be time enough to grapple with the actual difficulties when we come to them, and I hope Mr. Thynne will not find it necessary to press this matter to a vote.

Hon. Mr. Forrest.—Mr. Thynne knows what my views are with regard to government construction of works. My personal feeling is this: I object to government interference in such matters in any shape or form, as far as it can be avoided; but this is an exceptional case, and in this particular case it is not a question of one government, there are a number of governments; they will form a sort of joint stock company and keep each other in order. I got up, however, to express my great regret at the discordant note that we heard from Mr. Suttor, and I regret it more because he is one of my greatest friends here to-day. Mr. Suttor says, I am quite sure my government will not agree to make this cable any other way than by a private company.

Hon. Mr. Suttor.—I am so instructed, so the sooner I say it, perhaps, the better.

Hon. Mr. Forrest.—I do not see much good in going on if each government refuses to proceed unless it gets everything its own way.

Hon. Mr. Foster.—Then you have to pass no resolution?

Hon. Mr. Forrest.—I see a good deal of force in what has fallen from Mr. Foster. I trust that in all matters of this sort the opinion of the majority will govern, and that whatever the majority agrees to will be carried out by everybody.

Mr. Lee Smith.—My idea is that my government would exhaust every means before they would agree to it; but if the majority think this course should be pursued I shall at once cable and ask for instructions. I only say that we should prefer the other way of carrying it out if possible.

Hon. Mr. Forrest.—With regard to Mr. Lee Smith, he was more moderate; he said his Colony would not agree until a last resort.

Mr. Lee Smith.—My government would go in for it if there was no other way of doing it, I am quite sure of that.

Hon. Mr. Thynne.—The discussion on this subject has not been without some useful purpose. It is well for us to perceive at once that while we can pass general resolutions in favour of any particular object, that the moment we go to carry those resolutions into force we are met with difficulties, and a large number of us are not quite prepared to deal with them or express a decided opinion. I think, in that respect alone, this resolution has done good work. This motion is the first attempt to take a definite practical step towards carrying out this cable. I may say, I do not look upon the request to the Imperial Government to make the survey as anything in the shape of a practical result from this conference, because that is a request that could be easily made without the necessity of a Conference, it is one that has been already made, and the necessity of a survey is one of the things we must have anticipated would have taken place. If we express our desire to have a cable, it follows that we must have a survey, but the mere request to have a survey made for a cable line, I submit to this Conference, is not an adequate result of our deliberations. I do not wish to press a motion, even if I was sure of having a majority. I should be unwilling to press a motion after the strong expressions that have been made, but I think it shows that we should be prepared to face these questions that are awkward, and deal with them as soon as we possibly can.

Mr. Lee Smith.—And so we will.

Hon. Mr. Thynne.—But as my honourable friend Mr. Forrest submits, we must be prepared to make concessions, even to the abandonment of our most cherished hopes. After the expression of opinion, I beg, with the permission of the Conference, to withdraw the motion.

Hon. Mr. Foster.—I beg leave to move :—

That the Imperial Government be respectfully requested to undertake at the earliest possible moment, and to prosecute with all possible speed, a thorough survey of the proposed cable route between Canada and Australia; the expense to be borne in equal proportion by Great Britain, Canada, and the Australasian Colonies.

The President.—Is it understood that both Mr. Thynne's resolutions are withdrawn? The first one only was before the Conference.

Hon. Mr. Thynne.—After hearing the motion which Mr. Foster proposes, and in view of the expressions of opinion by the Conference, I think I should be quite prepared to withdraw my second motion.

Hon. Mr. Forrest (To Mr. Foster).—Would not you say to Vancouver, in your motion?

Hon. Mr. Foster.—I thought we had better say Canada, because it might not go from Vancouver. There is an Island, and a City, of Vancouver, and it might not go from either of those. That would leave it open to take the most available place.

Mr. Lee Smith.—I object to that. I have no power to commit my government to such an expenditure as involved in that motion, that is, the partial cost of the survey. I will have to get instructions. Further, it is diametrically opposed to my own opinion, and also opposed to the motion I have put on the paper. If I agree to that, it simply means that I agree with the suggestion which has been made that this should be a government enterprise, and I do not agree to that in any way; therefore, I should not vote for the motion, but I should oppose it.

Sir Henry Wrixon.—A survey is different from carrying out the work.

Mr. Lee Smith.—It means this, that when you bring out your plans and specifications you have to abide by them. You put them before contractors, they will bring you to book, they will make their estimates based upon those surveys, and if there is anything wrong you will have all the loss that may be involved through any mistakes. That is a very serious commitment. It is one of the things I would not go into without having instructions from my Government.

Hon. Mr. Thynne.—Only a matter of about 30,000*l.* amongst the whole of us.

Mr. Lee Smith.—The way the British Government will do it will cost 50,000*l.*

Hon. Mr. Fraser.—It is utterly impossible to do anything before the survey is made, and the survey cannot be made by contract. The survey must be made by the British Government; there is no other course. What a farce it would be to call for tenders for a survey.

Mr. Lee Smith.—I do not say that. My motion says that offers be solicited for the completion of the cable according to the various routes proposed by this Conference. You would find it surveyed; you would find offers to make the different routes within three months.

Hon. Mr. Fraser.—I only wish to say that we heartily endorse the motion, and that before anything can be done towards the construction or laying of the cable a survey has to be made. What has stood in our way for years past? What has stood in our way here except that there was no data to go upon? It is imperatively necessary that the survey should be made before the expiry of the five years that we are bound to the Eastern Extension.

Mr. Lee Smith.—Offers have already been sent in.

Hon. Mr. Fitzgerald.—I would ask my friend Mr. Lee Smith if his Government is really in earnest in their desire for this cable communication. If so, it is impossible that they can object to the terms of the resolution. The Imperial representative, Lord Jersey, has been kind enough to say that it is not improbable that the British Government, notwithstanding we make this offer, will say: Oh, well, we will make this survey ourselves. Therefore, it is on the cards, that New Zealand may not be called upon to pay a sixpence.

Mr. Lee Smith.—I did not understand Lord Jersey to say so.

Lord Jersey.—I did not say I was authorised to say it. I said they had survey vessels.

Hon. Mr. Fitzgerald.—I did not mean to bind Lord Jersey in any way, not having any direct authority. None of us think it is an improbable thing that the English Government may say, we will carry out this survey. Is this resolution any more than a practical confirmation of this, that, firstly, we desire that this survey should be

carried out at the earliest possible moment? And is it not an intimation to the Imperial Government, now, you have no excuse, because the Colonies and Canada, in a tri-partite arrangement, will contribute to the cost, therefore, go on with it. It will be a contract entered into between the three contracting parties which will ensure the work being done in a speedy, practical, and efficient manner. If it is to be done as a Government work, alone we are not so sure that delays would not interpose. It will be done at the request of each of the three contracting parties. In that case we have reason to believe it will be done without delay. But, I apprehend, if any one of the Colonies of Australia objected to this it would be very difficult indeed to satisfy the other Colonies that the objecting Colony was really in earnest on the subject, and it is with that view I would ask Mr. Smith not to interpose a discordant note. None of us are binding our Colonies. We are all, I think, alive to the fact that we speak more or less with a knowledge of the surrounding circumstances at home, and we believe sincerely and thoroughly that the recommendations which we make on this subject to our Governments will be not only agreeable to them, but will be readily adopted by the Parliament.

Mr. Lee Smith.—Mr. President, after the appeal that has been made to me, and considering the fact that all the Colonies agree to bear their proportion, and that that fact may have a great moral influence over the British Government, I think I will withdraw my objection. I shall be very glad to commit, so far as I can, my Government to a proportion of the cost. At the same time, I would ask you to bear in mind that it is quite opposed to the motion which I have on the order paper. It would appear to be quite diametrically opposed to the method I have suggested as to the construction of the cable. If you go into the open market, offers would be sent in within a very short time. I know there are two or three offers already extant, to lay this cable, by different routes, and at much less than Mr. Sandford Fleming's own calculations. That shows that these people know all about that portion of the ocean. On the west coast of Africa, they did not go to the enormous expense of a survey; they made an allowance for risks, and it has been proved, in the past, it has paid them to do so. The people know all about the Pacific. Before I left New Zealand, I had an offer to make the cable. Within three months, to my knowledge, you would have four offers.

The President.—This motion will be an indication to the home government, not only of the earnestness of the Colonies to have this work prosecuted, but will show that they are prepared to put their hands in their pockets and pay a proportion of the expense, which, I believe, was not done at the Conference of 1887. For some reason or other, there appears to have been influences at work, whether with the Admiralty or with the Colonial Office, wherever it may be, because this work was progressing, and was stopped. One reason given, incidentally, by Lord Jersey was, that they were not aware what route was to be taken, and therefore that it was not thought judicious or proper to go on expending money without knowing exactly where they were to go. If this resolution passes, as I have no doubt it will, from the opinions which have been expressed, it will be an evidence of the earnestness of the Colonies. If I may be permitted to express an opinion on the motion moved by the Hon. Mr. Thynne, since it is a question I have studied somewhat, as a layman, and while I have been nearly all my life opposed to Governments undertaking enterprises of any kind, such as the construction of railways, or working them themselves, or keeping them under their own jurisdiction and management, I have come to the conclusion that this is, as I first said, an exceptional work. I discussed this matter for some time with the Premier of New South Wales, and he, I know, took the same view Mr. Suttor did with reference to it as a Government work. After considering it somewhat seriously, and for the reasons advanced so forcibly by Mr. Playford, any one who gives it attention and study will come to the conclusion that in a work of this magnitude, involving the interests of so many portions of the Empire, really the best way would be to have it undertaken by the Governments themselves. I must confess I am not expressing the opinion of the Canadian Cabinet just now, but that would be the course I should pursue if I were discussing the question with any of the members of it. It is after a good deal of consideration, and a great deal of thought, I give this expression of opinion. I thought that my individual opinion, as you have all expressed yours, should be put upon record.

The motion was then put and carried.

Hon. Mr. Foster.—I wish to make a suggestion to meet what was stated by Lord Jersey. When we go to the British Government with our plea now, will there not still

be that indefiniteness? They will say, There is the whole floor of the Pacific, where do you want us to steer our ships? Is it not possible for gentlemen who have paid a great deal of attention to the matter, and who are at the Conference, to indicate somewhere near the route that is thought preferable? My own view is, as a layman, I give it for what it is worth, and it is this:—I am looking for commercial interests in this cable, as well as others, and I think it ought to touch at Honolulu. If we can, by any possibility, lay out a sort of area, somewhat circumscribed, that will prevent them travelling over the whole ocean from the Arctic to the Antarctic circle, we should do so. That is for gentlemen who have studied this cable matter more than I have, and who might indicate somewhere near the route to be surveyed.

CABLE EXTENSION TO THE CAPE.

It was moved by Sir Charles Mills:

"That it is for the interest of the Empire that, in case of the construction of a cable between Canada and Australasia, such cable should be extended from Australasia to the Cape of Good Hope; and that for that purpose arrangements should be made between the Imperial and South African Governments for a survey of the latter route."

Sir Henry de Villiers.—I have much pleasure in seconding this resolution, and am glad that my colleague had adopted my suggestion to withdraw the motion first proposed by him, for it is certainly advisable to keep the route from Australia to the Cape separate from the route between Canada and Australia. We are to some extent ripe for decision in regard to the route from Canada to Australia, but we are not ripe for a decision in regard to the other route. I think we are all agreed that it will be in the interests of the Empire that this cable should be constructed, because the present cable does not pass entirely through British soil, at many points it touches foreign territory, and in case of war it is quite possible that this cable might not be available for Imperial purposes. I think, therefore, that, in case the cable is constructed from Canada to Australia, it would be for the interest of the Empire that that cable should be extended on to the Cape of Good Hope. It would be valuable not only for defensive purposes but also as a means of reducing the enormous rates which are at present charged by the Eastern Extension Company. Originally it was ten shillings; it has been reduced to eight and sixpence, but I think everybody will agree that this is an extravagant charge. I have no doubt whatever that, in case this is carried out, and this cable is laid to Australia it will ultimately end in the cable being extended to the Cape of Good Hope. This motion commits no Australian, Canadian, or even the Imperial, Government to anything at present, but it will be a matter for further communication between the Imperial Government and the South African Government as to the expenditure for the survey of that route.

The motion was submitted to the Conference and carried.

The President.—Speaking of confidential communications, I find this in the report of the Colonial Conference, under date of April 7th, 1887: "The discussion at the "meeting of this day was of an entirely confidential character."

Hon. Mr. Foster.—But there is a record of it, though it is not printed. That is what I contend for, that we must keep a record somewhere.

Sir Henry Wrixon.—I do not think the Conference will have any objection to the motion which I wish to make. It has been hitherto found to be the case, and I think it will occur again, that, after this Conference closes, there will be nobody to carry on the continuity of the business. The whole thing is apt to lapse and disappear until the next conference, unless someone takes it in hand to carry on the technical, practical business. I think we should pass a short resolution designating some one to act in questions of practical detail with regard to what we have done, to communicate with the different governments, the governments of the Australian Colonies, and if necessary the Cape, and the Canadian government, to form a sort of link of communication between them with regard to the after matters which will necessarily arise from what we have done. If we are to have anyone, it should be Mr. Sandford Fleming who has shown a life-long devotion to this subject, and who is so intimate with it. I thought of moving this, by consent: "That Mr. Sandford Fleming be requested to attend to questions of "practical detail arising from the proposed cable between Canada and Australia, and to "communicate with the various governments concerned." It is merely ministerial, so that there may be some person who will interchange communications and keep the thing from expiring before the next conference.

Hon. Mr. Foster.—How far do you mean that to go? Do you mean that the views which we have expressed by resolution shall be presented to the Imperial Government and to the other governments by Mr. Fleming?

Sir Henry Wrixon.—Oh no, but as to what arises hereafter. There may be letters. Who will get them? There will be letters in reference to what is proposed, letters in reference to the surveys, and there will be practical questions arise which somebody must attend to, or else there will be a perfect blank.

Hon. Mr. Playford.—That person ought to be a member of a government.

Hon. Mr. Foster.—Do you mean as to consultation? I suppose some short method will have to be adopted by which the views of the Conference will be brought at once to the notice of the parties interested, for instance, the British Government for one. Then, if certain points arise as to details as regards the cable, Mr. Fleming could attend to those. I wish to see the prosecution of the work. For instance, we have passed a resolution. That will lie as dead as a door nail, unless somebody takes it up. Somebody must look after that. Who shall that somebody be? It is an entirely diplomatic piece of business, and that must be in the hands of the government.

Hon. Mr. Thynne.—Yes.

Sir Henry Wrixon.—Of course any matter of detail would be confided to Mr. Fleming, but there is a good deal of ministerial work to be done, if we are to keep the matter alive.

Lord Jersey.—Could it not be done by asking questions of the different governments in their respective Parliaments?

Sir Henry Wrixon.—Perhaps the Chairman will accept that responsibility.

The President.—I will accept that responsibility as long as I remain a member of the government. In all matters affecting this cable, I shall avail myself of the practical knowledge of Mr. Fleming in connection with it, and I should carry out, practically, what my friend wants done, and that is that Mr. Fleming, who has given, as he says, a life-long study to this question will have all the practical details of the work. If correspondence came from England to our government, from the fact that I have the honour to be President of this Conference, I should at once consult Mr. Fleming, and say such and such a thing was wanted, please do it. That is what I think you intend.

Sir Henry Wrixon.—Certainly.

Mr. Fleming.—I need not say I am pleased to be of any assistance either way. My only purpose is to see the views of the Conference carried out.

Hon. Mr. Fraser.—Some such motion is necessary to keep life in the matter.

Hon. Mr. Suttor.—Oh, no.

The President.—If you leave the matter with me, it will not die, if there is any possibility of keeping it alive.

Sir Henry Wrixon.—Then I will withdraw my motion. I am sure we will leave it in good hands, but our previous Conferences have come to so little.

Mr. Foster.—I think it is a point that must be clearly understood before we adjourn. For instance, here is a very important matter with regard to the motion you have made. We ought to have the Act passed by the British Parliament before that Parliament rises this year, or otherwise we will be kept over a whole year before we know whether we will be able to make any arrangements between ourselves. That resolution ought to be put immediately before Lord Rosebery, or before his government, with a request that they consider it, and if they are going to act upon it, that they pass the legislation which is necessary this session, in reference to giving Australia the power to make arrangements with the others.

Sir Henry Wrixon.—In 1887, all the Colonies concluded that there should be a survey made, and once the conference dissolved there was nothing done.

Hon. Mr. Playford.—The Conference never even said who should make the survey.

Sir Henry Wrixon.—They made the request to the Admiralty.

Hon. Mr. Forrest.—Oh, no.

Hon. Mr. Playford.—It was only a sort of understood thing.

THE CALLING FOR CABLE TENDERS.

The President.—Gentlemen, if this matter is understood, we will pass on to the next, which is the motion of Mr. Lee Smith.

Mr. Lee Smith.—If you will allow me to remind you, sir, I have given notice of four motions this morning, and there have been a number of other motions sandwiched in between them. I thought probably the usual course was to let the motions come on according to priority of notice. However, sir, in moving the resolution which I have submitted, which is as follows :—

(1.) "That, in the opinion of this Conference, the most speedy and effective manner in which direct cable communication between Canada and Australasia could be established, would be by inviting offers to carry out the work under conditions to be hereafter decided upon."

(2.) "That with a view to this end the Canadian Government be requested to solicit offers of plans, specifications, and terms for alternative lines as indicated by the several proposals submitted to this Conference.

(3.) "That any tenders received be submitted for the consideration of the several Colonies interested, and that any expenses incurred be paid by the said Colonies jointly, according to their population.

(4.) "That in the event of the proposals not being satisfactory, the several governments take steps to carry out the undertaking as a national work."

I may say at once, that after the motions which have been recently moved and carried with regard to the advisability of obtaining a survey at the joint cost of Her Majesty's Government, and the Australian Colonies, and Canada, I have not the least idea I shall carry my motion; but, so convinced am I that the motions you have carried will result in nothing but delay, similar to that which has taken place since 1887, that I feel justified in putting this resolution before the meeting for the purpose of putting on record the objection which I have taken to that method of procedure. However, to be in harmony with other gentlemen, and with other Colonies, I have agreed to that proposition, although I do not think it will result in any practical work being done in the direction we all wish. I will not take up the time of the Conference longer; I have already enlarged very considerably upon the question. The survey will be put off, and put off, and I am perfectly certain that in three years we shall be no further advanced than at the present day. I will do no more, sir, than put before the meeting these propositions, and ask the opinion of the Conference upon them, so that I shall have, as I said before, my objections upon record. Two things may occur. First of all, it may be that if these proposals are rejected it may spur on the British Government to do something. They may say one Colony brought before the Conference the advisability of doing this by contract, we will not allow that, we will do it ourselves. On the other hand, if the British Government do not consider this favourably, and do not do anything, as I do not think they will, then you have this position to fall back upon. However, it will be on record that one Colony has indicated the method in which we ought to do this work. I will move the four *en bloc*.

Hon. Mr. Fitzgerald.—I hope the mover of these resolutions will stand alone.

Mr. Lee Smith.—I merely do it in order to put on record my objection.

Hon. Mr. Playford.—I will second it for the sake of having it before the Conference.

Hon. Mr. Fitzgerald.—Though the reasons given by Mr. Lee Smith may be satisfactory to himself, I think they are by no means complimentary to the Imperial Government, nor do I think the circumstances warrant our at all even insinuating the want of confidence which these resolutions impute.

Mr. Lee Smith.—I did not refer to tenders; I referred to the work.

Hon. Mr. Fitzgerald.—But we have not agreed to do anything more than make a survey at present.

Hon. F. B. Suttor.—I would suggest to my friend Mr. Lee Smith to withdraw his motion, rather than allow it to be negatived. We have not negatived anything yet.

Hon. Mr. Foster.—You will get your protest in all the same.

Sir Henry Wrixon.—He has suggested that the work should be done by private enterprise, as far as possible. Generally, I agree with that, though I doubt if you will get it to work. The contrary view has been put forward here, and withdrawn, on the ground that it was not desirable for us to enter into that question either way. The motion was made, and withdrawn by Mr. Thynne, on the ground that we ought not to deal with it either way. Therefore, I think, Mr. Lee Smith may, for the same reasons, withdraw his motion.

Mr. Lee Smith.—I am in a rather peculiar position. There have been surprise motions disposed of before mine, and honourable gentlemen have committed themselves, therefore they cannot discuss the matter from my point of view. I have already given way once, therefore I think I must stand by the motions which I have made. I should like to have these motions recorded, even though I stand alone. It is no insult to the British Government to say there has been delay. Seven years ago, we were told that the work would be proceeded with. What has been done? Would it not be a monstrous thing to come this whole distance, at great inconvenience and expense, with the object of advancing the interests of our Colonies, and go away, and have no prospects that any result will follow what we have done?

Mr. Fleming.—I think if this passes it will lead to very important results. I think it would show that we would not receive from any company satisfactory tenders, and, therefore, leave the project of the Pacific cable to be carried out as a national work. I think that is the important result we would reach, and that we would save time by it, because, if there be a future conference, two or three years hence, after surveys have been made, they will probably decide to call for tenders. I am perfectly satisfied, in my own mind, that the work is practicable whichever route is taken.

The motion was put to the Conference, and declared lost.

DEFINING THE WORD "AUSTRALASIAN."

The President.—Mr. Lee Smith gives notice of the following motion:—

That if the words "Australasian Colonies" be used in any motions or amendments that may be brought before this Conference they shall mean the Colonies of Australasia and the Colony of New Zealand.

Mr. Lee Smith.—It is not necessary for me to go further into the question; it is merely for the purpose of distinguishing New Zealand from Australia or the Australian Colonies.

Hon. Mr. Fitzgerald.—What about the object of the last words in it? the others are not objectionable.

Mr. Lee Smith.—Those were suggested by Mr. Suttor, in order to not commit any one to any particular route.

Hon. Mr. Suttor.—I rather argued that if we inserted the words "New Zealand" we might be considered as binding ourselves to go *viâ* New Zealand, in the event of the cable being constructed. That is the suggestion I made.

The motion was carried.

Hon. Mr. Forrest.—I believe that what we have now done has got us back to the very position to which Mr. Suttor and the rest of us objected.

The Conference adjourned at 6 p.m.

DOUGLAS STEWART,
J. LAMBERT PAYNE,
Joint Secretaries of the Conference.

Office of the Minister of Trade and Commerce, Ottawa,
July 5, 1894.

The Conference resumed at 10 a.m.

The following representatives were present:—

The Imperial Government.—The Right Hon. the Earl of Jersey, P.C., G.C.M.G.
Canada.—Hon. Mackenzie Bowell, P.C.
Hon. Sir Adolphe Caron, P.C., K.C.M.G.
Hon. George E. Foster, P.C., LL.D.
Sandford Fleming, Esq., C.M.G.
Tasmania.—Hon. Nicholas Fitzgerald.
New South Wales.—Hon. F. B. Suttor, M.L.A.
Cape Colony.—Sir Henry de Villiers, K.C.M.G.
Sir Charles Mills, K.C.M.G., C.B.
South Australia.—Hon. Thomas Playford.
New Zealand.—Alfred Lee Smith, Esq.
Victoria.—Sir Henry Wrixon, K.C.M.G., Q.C.
Hon. Nicholas Fitzgerald, M.L.C.
Hon. Simon Fraser, M.L.C.
Queensland.—Hon. A. J. Thynne, M.L.C.
Hon. William Forrest, M.L.C.

THE PACIFIC CABLE

Hon. Nicholas Fitzgerald.—I beg to move:—

That in the opinion of this Conference immediate steps should be taken for the construction of the cable from Australia to Canada as far as the Colony of Fiji, to which place the survey is already completed, on a tri-partite arrangement between Great Britain and Canada and the Australasian Colonies.

Mr. Chairman, I do not intend to re-open the question of the cable; but it appears to me very important that we should take some decided steps to prove out earnestness on the subject. I feel the force of the observation made by Mr. Lee Smith yesterday that this was simply an abstract resolution, and that it was necessary on such important questions to take some definite action showing our sincerity; otherwise the effect which this Conference would produce on the public mind would be lessened. I was forcibly impressed in considering this; I observe that the line to Fiji has already been surveyed. Now, the difficulty which we saw staring at us with regard to any recommendations on the extended line to Vancouver is removed as far as the Colony of Fiji is concerned. The connexion between it and Australia will be the first link in the chain, should any cable ever be laid between the two great dependencies. No matter what part of Australasia the communication will extend from, without doubt the connexion with Fiji must be the first link, and that being the case, if we are all agreed, as I am sure we are, as to the absolute importance, for the reasons stated, of the establishment of this cable between the two dependencies, it appears to me, the survey being completed there, that we ought to prove that earnestness by agreeing that the construction of the cable connecting Fiji with some part of the Australasian Colonies should at once be proceeded with. Then, we will thereby ascertain whether Her Majesty's Government will consent to bear a share of the cost of such first link. There will be no necessity of doubt as to the other governments, England being the only party to this proposed arrangement about whose opinion we are uncertain. We have the assurance of Canada, and we have the assurance of all the delegates from Australasia; and the sooner the better for us to be certain whether Her Majesty's Government are willing to join with the other dependencies. The difficulty of survey does not exist with regard to this link. If it be constructed, it must be with a guarantee that continuation, after survey is completed, will be made on the same line according to like arrangements from Fiji to Canada as early as possible. It gives this Conference an opportunity of doing substantial work, in this regard; and removes the necessity for further negotiations as to the advantage that cable would be; this would be admitted by the construction of the first link. The arrangements for the total cost will be established by the arrangement for the first portion of the line; and if it is assured to us that there will be no further delay in the completion of the survey onward, the realisation of our hopes may be within a definite period. I will not occupy time by saying more. I will conclude by moving that, in the opinion of this Conference

immediate steps should be taken for the construction of the cable from Australia to Canada as far as the Colony of Fiji, to which place the survey is already completed, on a tri-partite arrangement between Great Britain, Canada, and the Australasian Colonies.

Hon. Mr. Thynne.—In seconding that motion, I wish to say that I entirely concur with what the mover has just stated; and I think it is a great pity if we content ourselves with the passing of a mere abstract resolution on the subject.

Lord Jersey.—This is rather prejudging the whole question, is it not? It is assuming that it will be possible to lay a cable from Vancouver to Australia. It was pointed out that it was impossible to decide that question until a survey had been made. I have no authority to speak for the British Government on this matter. This may be called a link in the chain, but supposing it was found impossible for certain reasons to lay the cable from Vancouver to Fiji, Canada and the Imperial Government would be commited to a cable line which would only be of a small character and not the complete cable line desired.

Hon. Mr. Playford.—Until the rest of the line was completed, it would be utterly useless as a line.

Mr. Lee Smith.—I am very much pleased that Mr. Fitzgerald and other gentlemen appear to think differently from what they did last evening, when they regarded the passing of the abstract resolution as a conclusive summing up, so to speak, of our duties with regard to this cable. As you all know, I take a very different view, and I think that even the proposition which Mr. Fitzgerald is now putting before the Conference is not sufficient; because, sir, if you look back to the 1887 Conference, and remember what took place after that Conference, you will find that what we have done yesterday and what we are proposing to do to-day is nothing like sufficient to induce the British Government to take the steps necessary to carry out this object, unless they have very materially altered their minds; because on the recommendations which were sent after the 1887 Conference to the British Government it was found the answer was this, that there was no prospect—at least I believe it was so—that there was no prospect of sufficient funds being available on the part of the several Colonies concerned to carry out the work. They said it would not be justifiable on the part of the British Government to go to any material expenditure in carrying out surveys, but they promised, in a general way, that they would use opportunities from time to time to make surveys, but it has been done in a very fragmentary manner. Now, sir, I think that unless we are prepared here to give the British Government, through Lord Jersey, an assurance that we want this cable, and are prepared to put our hands into our pockets beyond the mere provisional initial cost of survey, the British Government will very fairly say in reply, "Gentlemen, you are aware that we must make you the "same reply as we made before, and we must consider what position we shall be in." I believe, sir, you want to go very much beyond what we have done. We want to pass some kind of concrete resolution that we will recommend our governments to provide so much money in some form or another, preferable by way of guarantee, in order that this work will be carried out. Then Lord Jersey will go home and he can say: "I have attended this Conference, and I find, not only by the remarks they have "made but by the resolutions which they have carried, that they are prepared to find "this money, and will pay their part;" and then the British Government, as I said before, will see that we are in earnest; and then I have no doubt, if they will ever do anything at all in this matter, they will do it. I do not think it is probable that any practical result will arise even though the action of yesterday has been, I must admit, somewhat strengthened by the arguments and proposal which Mr. Fitzgerald has brought before us. I still adhere to the opinion which I expressed yesterday that, as an alternative to the Government's refusal to do anything, we should take some steps to get tenders from some companies. Now, what do we find? The whole of that portion of the Pacific Ocean from Australia proper up to the equator and through which the cable might by any chance go, is surveyed. Take Samoa, Fiji, Sydney, Bundaberg, or the north of New Zealand; in any one of these alternative routes, there is sufficient information before us now to justify the laying of the cable; and therefore the British Government might say, "Well, gentlemen, you have got the most material "portion of the Pacific Ocean surveyed already; it is on record; there it is; why do "you not do something with that?" I do hope that the Conference will yet reconsider this matter and do something in a definite and concrete form.

Hon. Mr. Foster.—I supposed the result of yesterday's discussion and the resolutions that we passed had definitely finished the matter of the cable. Now, let us just see

what we did yesterday. We had a thorough discussion of the whole matter; we came to the conclusion that we were not prepared, as a conference, or the governments which we represent were not prepared, to undertake the raising of the money for the construction of the cable on an uncertain ground; that we had no survey, and that until the survey was made, and we could have a definite basis so as to see what the amount of cost would be, it was impossible for us to enter into the liabilities which would be comprehended in the construction of the cable. We came to our conclusions; but while we passed one resolution affirming the desirability of an immediate construction of a cable, by the word "immediate" we of course meant that steps be immediately taken in the line of the previous resolution, which showed the spirit of the Conference with reference to the project, viz.: that it be a reasonable project, that the cost be not too great, and that there is a possibility of its being constructed so far as the survey would give the results as to the ocean bottom. Then we went still further; as a test of our *bona fides* in the arrangement, we agreed we would work for that survey, and agreed to provide for our share of the expenses of that survey. Now, sir, after that is done, this morning a resolution is placed before Conference for the purpose of testing the *bona fides* of the members of this Conference as to whether they meant anything by their resolutions passed yesterday; and it is stated that that *bona fides* will be shown if Canada and Great Britain are willing to put their hands into their pockets and build a piece of the cable between New Zealand and Fiji. Now, I hold—and I wish to make that representation as strong as possible—that this resolution is not necessary in order to test the *bona fides* of the Conference, so far as the cable is concerned; but I want to ask you what position it will put the Canadian Government in? The only basis we have for going down to Parliament and asking them to put money in our hands is that there shall be a certain connexion between Australia and this country; that is all. And if we go down with the proposition of a complete cable on a certain and definite basis, affirming the possibility of the construction of that cable, affirming on a fair basis the amount that would have to be expended, and consequently the liability of Canada as far as that cable is concerned, we will then have to press the matter with our united strength upon our Parliament, in order to get money which is necessary, from considerations which I stated yesterday. But, sir, what position would the Government of Canada be in to go down next week to the Parliament of Canada, and ask them to make an appropriation for defraying one-third of the cost of the cable between New Zealand and Fiji? The Parliament of Canada would immediately ask the Government, what benefit would Canada get from that? Will it ever be built beyond Fiji? Can it be built beyond Fiji? What will be the cost of building it beyond Fiji to Vancouver, and consequently what liability shall we be under? But to ask the Parliament of Canada to vote a sum of money, either a third or any other sum, to build a cable between New Zealand and Fiji without being able to tell them what would be their portion of the liability for a completed cable, without being able to tell them whether a completed cable could ever be made or not, without being able to tell them one thing as to their liability on that point, would place the Government of Canada in an awkward position. If this resolution were passed, and if you asked the Government of Canada to take that position, instead of hastening the operation of the construction of the cable, to my mind, it would not tend in that direction, but would tend in the other direction. You may depend upon it that there is such a thing as hastening slowly; and in this respect I do not think that it will make matters better to hasten too rapidly. I believe we have gone as far as we unitedly can in this Conference on the matter; I believe we are thoroughly in earnest; I do not think it requires any resolution to test the *bona fides* of this Conference, certainly not of the Canadian delegates, to this resolution, and I think we have gone just as far as we possibly can without a disagreement. We are united; we have taken a step; we have taken a step and an earnest step. Let us see the result of that, and then we will be prepared to confer as to what shall be done after that. I want the delegates to this Conference just to consider the one point I have made, as to what would be the position of the Government of Canada coming down to Parliament and asking for a contribution to build a cable from New Zealand to Fiji without being able to tell them whether it should ever be completed to Canada or the amount of cost it would take to complete it to Canada.

Hon. Mr. FORREST.—There is a great deal, no doubt, in what has fallen from Mr. Foster, but it occurred to me while he was talking that there might be a way of relieving his government of the difficulty to which he has referred to in the motion. And it would be this. I think it might be arranged, in the event of its being found after survey that it would be utterly impossible to continue the cable to Canada, that

the Australian Governments would bear all the cost of the cable. It would be understood that Canada only entered into the arrangement on condition of its being continued to Vancouver.

Hon. Mr. FITZGERALD.—It would be a condition of the agreement.

Hon. Mr. FORREST.—Yes, a part of the agreement; and by agreeing to the motion of Mr. Fitzgerald we would show the world we were in earnest about the matter and meant to build the cable, and thereby prevent anybody else taking it.

Hon. Mr. FITZGERALD.—And not leave any suspicion as to the earnestness.

Hon. Mr. FORREST.—No, we do not doubt for a moment the *bona fides* of anyone here. I am not prepared very well to speak on the point, because I just heard about it now; but I would just like to explain to the Conference how this matter has presented itself to my mind. I do not think for one moment there is the slightest possibility of a survey showing that a cable cannot be laid; that never occurred to me. The great object of a survey is to find the best route, but to contemplate for one moment that the result of a survey would be to show that a cable cannot be laid is one I cannot understand. Therefore, I think this motion is really worthy of very serious consideration; and, without putting it in a more definite form, I think I have shown a way whereby Canada would be relieved of complications under certain conditions.

Lord JERSEY.—I must remind the honourable gentleman that exactly the same questions would be asked in England.

Hon. Mr. FITZGERALD.—Fiji is a colony of the Empire.

Lord JERSEY.—But this cable is put forward as a great international undertaking between Canada and Australia as a whole, not as a piece-meal cable. Mr. Foster has put the matter so well and so tersely that I will only say that I feel quite sure the same difficulty will present itself to the Government at home as presents itself to Mr. Foster as a Minister of the Canadian Government.

Hon. Mr. PLAYFORD.—All I wish to say is this, that if this resolution is passed, supposing South Australia, which I represent, was desirous that no cable under any circumstances should be laid down, I think the best way to accomplish that object would be for me to vote for the motion that is now proposed, because then we would see plain enough that we would have Canada and Great Britain and some of the Australian Colonies all at loggerheads pretty quickly over this proposal. My own idea is that which has been expressed by the representatives of Canada and Great Britain, that those two countries will say unmistakably that until we know what the cost of this line is, even supposing the surveys are favourable, until we know what the cost of the line is beyond Fiji to connect it with Canada, we cannot go to Parliament and ask Parliament for a large sum of money to make a section of the line, because questions will be put in a most pertinent manner by the practical men in our Parliaments, What is it going to cost beyond Fiji? You have passed a resolution that you want a survey; what do you want a survey for? To ascertain what the line will cost. You must first make the survey and ascertain what the cost will be. "Do not buy a pig in a poke, and spend a lot of money, and then find you cannot complete the line," will be the line of argument taken. They will never agree to it. If this work is required for Imperial purposes, South Australia has no desire to oppose it whatever. If I was credited with having a desire of thwarting this cable, I could do nothing better calculated to further that design than to vote for this motion.

Hon. Mr. FITZGERALD.—I think a great many of the objections are easily refuted, but I do not intend to continue the discussion. Mr. Foster representing Canada, his colleagues evidently assenting, not having spoken to it, and Canada being a party to the tri-partite arrangement there referred to—Mr. Foster, representing Canada, stating that it would be impossible to press the Australian views against the united objections of the Imperial Government and the Government of Canada, I have no desire to press my motion. I only speak on behalf of the Colonies of Queensland and Victoria; my friend from New South Wales has not spoken. I therefore beg to withdraw this motion.

The motion was withdrawn by leave of the Conference.

THE COLONY OF NATAL.

The PRESIDENT.—I desire, in order that it may appear on the record, to read a letter received by our Premier, from Sir John Robinson, the Prime Minister of Natal :—

Pietermaritzburg, May 19th, 1894.

SIR,—I have the honour to acknowledge the receipt, through the Agent General of this Colony, Mr. Walter Peace, of a letter addressed to him by His Excellency the High Commissioner for Canada, Sir Charles Tupper, intimating that he had received a telegram from Canada requesting him, on behalf of your Government, to invite the Government of Natal to be represented at the Inter-colonial Conference to be held at Ottawa, in June next.

In thanking you most cordially in the name of this Government for your courteous invitation, I beg to assure you that it would have afforded this Government sincere satisfaction to take part in the proposed Conference, called as it has been to discuss questions of high importance to both the Colonies and the mother country, and tending, as it must tend, to knit together by ties of closer acquaintanceship, personal conference, and, possibly, common action, the colonial communities of the Empire. Although, however, the understood objects of the Conference have the full sympathy of this Government, it has, with much regret, been found impossible under existing circumstances, and within the time available, to send a representative or representatives; Parliament being now in session and both ministers and members being engaged in legislative business of great importance consequent upon the recent establishment of self-government here.

I need hardly add that the proceedings of the Conference will be followed here with keen interest, and that we trust the movement will be attended by full and far-reaching success.

I have the honour to be, Sir,
Your obedient servant,
(Signed) JOHN ROBINSON,
Prime Minister.

The Honourable
Sir John S. D. Thompson, K.C.M.G., Q.C., &c., &c.,
Premier for Canada.

TRADE WITHIN THE EMPIRE.

The PRESIDENT.—The business on the paper is the motion of Mr. Foster, as follows :

Whereas : The stability and progress of the British Empire can be best assured by drawing continually closer the bands that unite the Colonies with the mother country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare ;

And whereas : This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products ;

Therefore resolved : That this Conference records its belief in the advisability and practical possibility of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries ;

And further resolved : That pending the assent of the mother country to such an arrangement, in which she shall be included, it is desirable that the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take immediate steps to place each other's products on a more favoured customs basis than is accorded to the like products of foreign countries.

Hon. Mr. FOSTER.—In rising to move the resolution of which I gave notice. I want, in the first place, to say two things, viz., first, that I do not propose to make an extended speech in connection with the matter; in the second place, I have, from the busy nature of these days, and my own inability to accomplish much work, been unable to give any particular research in the way of collecting and presenting material. I am, therefore, going to deal altogether with general principles, and I do not propose to bring forward any mass of statistics in furtherance of the proposals which may be advanced. That could be done, but I shall not present them at the present time. Moreover, I think it better, in dealing with this question, to confine myself to the general principles underlying it. The first part of the preamble, I imagine, will find no dissentient voice. As representing Colonies of the great British Empire, we are undoubtedly, all of us, deeply interested in the stability and progress of that Empire. If there is one object dear to us as public men, or as citizens of our respective Colonies, I think it is that the Empire of which we form a part shall enter no period of decline. that the glorious past which has been hers shall not be eclipsed by an old age of decrepitude and decadence, but that her mature old life, going out into the members of the body, scattered over different parts of the earth, may continually renew itself, and that the Empire, as a whole, may go on in an increasing ratio of progress, of influence, and of prosperity. That requires no argument. That is simply the one feeling which dominates, I believe, public men and citizens in the different Colonies of the Empire. There is another thing which we may also agree upon. That is, the fact that the progress and stability of the Empire is to be assured by the unity of its different parts, and by the sympathetic co-operation which exists, or shall exist, between the head and the different members of the great British Empire. Fortunately, our past history, the history of the last twenty-five years, not far removed from us is

bright, when it is looked at as illustrative of that. The feeling which more or less prevailed twenty-five years ago, and even less, that the Colonies were a drag upon the mother country, and that it might be well if connections were cut, and the bonds that had kept them together were loosened for ever,—that opinion, strong as it was twenty-five years ago, or less, has been decreasing and to-day no influential or considerable body of men in Great Britain can be found who advocate other than the closest possible relations between Great Britain and her outlying Colonies and dependencies. But, the unity of the Empire depends very much upon the amount of co-operation, actual, sympathetic co-operation, that takes place between its different members. It is to this point that I wish more particularly to draw the attention of the Conference. It is contained in the second part of the preamble, which affirms that this co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products. The flag is a bond without doubt, from what it typifies, the Queen is a bond because of her position, because also of her estimable qualities, because she has lived the whole life of the present and almost of a past generation, and because the feeling or the sentiments which exist towards a ruler are made stronger and deeper because of the affections which centre about her personally, considered as the Queen of our great Dominions. The constitution of Great Britain, wide and elastic as it is, is a bond; the institutions which, in common with the mother country we possess are bonds, on account of their strength, on account of their freedom, on account of their beneficent character. The army and navy, which embody the defence of the Empire, both at home, at its heart and centre, and in its outlying parts, is also a bond of unity, and a bond of strength; but underneath all this there is one thing which is stronger, in its way, than any other, and which is, to my mind, essentially necessary in order that that unity shall be preserved between parts of an Empire so far removed from each other, and, in some respects, with such divergent interests. I refer, gentlemen, to the common blood of trade and commerce which flows from the heart of the Empire out into the limbs of the dependencies, and back again with its strength, and vivifying influence, to the heart of the Empire. Trade and commerce carry with them knowledge and sympathy. It is impossible for the commercial community of Great Britain to have to do with the commercial interests, with the trade interests, of any country, especially with the trade interests of the parts of the Empire, without getting a large knowledge of the resources, the capabilities of these different parts, and without, having bound up with that a material, and if you wish, a selfish interest, and the powerful and common bonds of a material and social interest are continually forwarded, continually widened, and continually strengthened. And, this is, to my mind, the guarantee of the future unity, the future stability, and the future prosperity of the great British Empire. If we believe that, the question arises next as to how this commerce and trade between the different parts of the Empire may be placed on the widest and most satisfactory basis. I believe that it can be done by some such arrangement as is hinted at in the resolutions which follow the preamble about which I have been for the moment speaking. Who doubts for a single moment that if Great Britain and her Colonies could be formed into a commercial union, whereby the trade between the different parts of the Empire would have a more favoured position than outside or foreign trade, who doubts but that immense benefits would immediately accrue to the Empire as a whole? What would it mean? It would mean, in the first place, that the energy, the genius, the strength, the power, the research of the commercial communities of Great Britain would be directed more and more to her colonial possessions, and that whatever there was of advantage in the direction of these forces and these powers towards the development of the Colonies, would immediately have its result in the growth and progress of these Colonies. What an impetus, would be given to immigration if, for all practical trade purposes, the British Empire were one, and whenever a man left Great Britain he would feel that in making his choice there were two things to be considered; one, to go under a foreign flag and engage in an industrial or commercial life which had not the advantage that it otherwise might have; the other, to remain under the same institutions the same flag, and when he came to think of his material and commercial interests, to feel that he was placing himself in a better position by means of a favoured customs or trade arrangement. Often, when the emigrant leaves Great Britain, the tuggings of the flags, the tuggings of his nationality, the drawings of the institutions under which he has grown up, and to which he is accustomed, pull at him in one way, but, in the other, there pulls at him the idea of a larger material consideration and benefit which he may get; but how that would be lessened, how the force of it would be found with the other forces I have spoken of if he knew that when he left Great Britain, and went to a colony, he

remained under the same flag, the same institutions, had practically the same guarantee of his freedom and rights, but more than that, that he was engaging in an industry and a commerce which had the most favoured place with Great Britain, and which would consequently, conduce in the best way to his material benefit. Therefore, I say that an impetus would at once be given to immigration, and, what is it that these great Colonies want? Look at Canada, look at Australia on the map, look at the stretches of South West and Central Africa. What is it that is needed? Is it fertility of soil, is it wealth of resources? Is it the wealth which is in the soil, in the sea, or in the forest? None of these things. What is needed is population,—the Anglo-Saxon, the British emigrant settling there and developing the rich resources of this country, making a population which is productive, and which consequently leads to progress and to strength. That is what these Colonies want, and an arrangement of this kind, without doubt, would give an impetus to immigration. But what an impetus it would give to production as well! Let once the demand of the British Empire in the mother islands for its food, for its different resources of raw material, centre upon the Colonies of Great Britain, and how it would draw out from the richness of the soil and the wealth of forest and mine; how it would draw out these hidden and valued resources, and put them into a position where they would become still more valuable, and cater to the development and good of mankind; so that not only would immigration be assisted, but the development which would immediately follow, which would be made necessary, would spread throughout the different Colonies of the Empire, and issue as a direct result. More than that, there would come a strength, there would come a confidence, which we do not have now. An arrangement of that kind would set at rest whatever feeling of dissatisfaction, whatever feeling of unrest, there is as to the political future of these Colonies. We ask sometimes in Canada, I dare say you ask sometimes in Australasia, what are we going to do 20 or 25 years from now? And in nine cases out of ten the commercial consideration is the one which gives the birth to that feeling; but, let a commercial status like this be affirmed and assured, and immediately that unrest takes on less possible proportions, in fact, it is practically nullified. The future then, is the future of an Empire, and each one of the parts has faith in itself as part of an Empire, strong, healthy, and prosperous. So that there will be a confidence, a stability, and in time a strength of conviction in the political status which would be beneficial to every one of the Colonies. Those are some of the results which would accrue, provided such an arrangement as that could be brought about. If it would be advantageous to us, and we think we have no doubt upon that point, we come to a still graver question, as to whether or not it is practicable: and, I just wish to present a few thoughts with reference to the point of practicability. The objection, when we take into account such an arrangement as to trade and commerce, is this, as to how it would be viewed in Great Britain, and as to what would be the effect on the commerce of Great Britain. That is an immense consideration. That is the practical point of view around which the debate must wage, and we would be blind, indeed, if we thought, by simply putting a resolution like this upon paper, and agreeing to it, we had accomplished the fact, for British interests are still immense, the British people at home will think of these interests, and while it will not be the sole factor, it will be the strongest factor, in their ultimate decision of the question. Now, let us look over it for a moment. Is there any theoretical reason why Great Britain should not give a more favoured place to the commerce of her Colonies than she does to foreign countries? When in Great Britain a year or so ago, I was often met by this statement:—Well, but you in Canada have free entry to our markets, everything comes in free, and you put a duty upon goods which we send back to you. Are you treating us right in that respect? That is a point of argument which is often brought up, and which is specious in its way, but there is this reply to that. True, you give an open market to the goods of Canada, but you give an equally open market to every competitor of Canada, and, consequently, you are doing no favour to Canada for which you can ask a favour in return. But, again coming to the point, is there any theoretical reason why she should not treat her own Colonies better than foreign countries? There is certainly none in the attitude of foreign countries towards the commerce of Great Britain. There has been a good deal said as regards the armed forces of the European continent, each one with its immense equipment ready for war, watching each other. If that is the truth, it is equally true that in matters of trade and commerce there is war. What foreign European country—or to speak in the large, in the broad sense—what foreign country is especially solicitous as to what it does for the commerce of Great Britain? Great Britain, forty or fifty years ago started out on the assumption that it would be better for her to

reverse the policy of former times, which was a strictly protective policy, amounting to prohibition, and make herself the workshop for the world. It was wise, without a shadow of doubt. Looking back in history we cannot but come to that conclusion; but a workshop for the world in that year of grace, forty or fifty years ago, was different from the workshop for the world at the present time. (Hear, hear.) Then Great Britain, when she made her market free to the produce of the world, had practically the monopoly of supplying the world in return for what they needed of manufactured goods; but, from that time up to this, the lines have been continually raised, until every European country to-day, almost without exception, and almost every great country, has raised fiscal walls against the commerce of Great Britain. Has done what? Has prevented the ingress of her goods, in so far as the tariff wall went, diminished the sale of her goods within their borders by the impetus they gave to manufacturing industry on account of the raising of those walls, until to-day countries which twenty years ago depended on English makers chiefly for nine-tenths of what they consumed in the way of manufactured articles, are to-day making within their own borders nine-tenths of what they consume. But they have done more than that. Whilst they have raised the walls against the commerce of Great Britain, so far as manufactured goods are concerned, they have taken advantage of the open markets of Great Britain, and have competed therein, lessening the scope and area of the patronage of the working men of Great Britain, and of the working-marts of Great Britain.

Hon. Mr. Fraser.—Still, trade is increasing.

Hon. Mr. Playford.—Only through her Colonies.

Hon. Mr. Foster.—These are the facts, that walls have been raised against her by different countries, that she has been cut out of the market by foreign countries to the best extent they could, has been forced to compete, and consequently lost a certain portion of the market of her own country. Why, think of it to-day! What does France do for Great Britain? France has a minimum and a maximum tariff, but her minimum tariff is a highly protective tariff, and France to-day, while she raises the walls against every article of Great Britain, sends a largely increasing proportion of woollen and cotton goods into Great Britain, so that last year nearly $75,000,000 worth of goods were exported from France into Great Britain herself, and a large proportion of those was no doubt consumed within that country. So that I say England owes nothing in the way of good-will, commercially, to foreign countries which should operate as a bar to her saying to her own children, we will treat you a little better than foreign countries. But there is another side to that, and the English will say, we want to carry on trade with France, even although they have a wall against us, with the United States, even though they have a wall against us, and maybe if we give you a preferential position in our market, we will be more hardly used by France and by the United States.

My own opinion is that in the United States, France, and most of these countries, the highest point has been reached in protective tariffs and, instead of going further up, the tendency in future will be in the opposite direction. I don't think that that is a practical point which would weigh much with Englishmen in a decision of this question. It is true that Great Britain has been cut out from a great many countries but still has extended her commerce. How has she done it? She has done it through her Colonies. In foreign countries she has not extended her commerce to anything like the extent she has in the Colonies. A colonial consumer is worth more to the British producer than six European consumers. So that every colonial dependency that she possesses has become her customer and her commerce could never have extended as it has if it had not been for these dependencies. Then the Colonies have all protected against the mother country, but none of them have protected as the foreign countries have protected against her. You can take them and make an average. Take the French tariff and compare it with the Canadian tariff. Take the United States tariff and compare it with the Australian tariff. Take the German tariff and compare it with the other Colonies. Look them through and through and when you come to read out results you will find that the protection is far lower in the colonies of Britain against British goods, taking it on an average, than it is in the foreign countries. So that she has gained by her Colonies. But where else has she gained? She has gained in the new and neutral markets of the world. Great Britain has pushed, with an immense energy and at immense cost, her markets out into the unoccupied territory, so to speak, but she is followed close on her heels and side by side with her now by the protective countries of Europe, by those countries that have

walled her to a large extent out of their territory and commerce. She is followed unrelentingly in this commercial warfare into every neutral market, and they have divided it and they will divide it more and more. Consequently, the area of her markets is diminished and the competition within that area is continually increasing, and the competition is from those who have walled her out as far as they possibly could from their own markets. That is the position of things. Great Britain has another consideration which is a forcible one to my mind. Put a cordon around England for 24 days and what will become of her people?

Hon. Mr. FRASER.—They will starve.

Hon. Mr. FOSTER.—Allow no food to come in and what would become of her people? That cordon could be pretty nearly as effectual if it were 500 or 1,000 miles away from England as if it were just about her coasts, and in the eventuality of a great war her food supply stands a chance of being largely cut off by the hostile countries with which she may be engaged. (Hear, hear.) A war with Russia would cut her off from the wheat of Russia. A ukase of the Czar in 24 hours could dry up the exports of wheat from Russia to Great Britain. A great war carried on with Russia or some of the other powers would make them conserve their food supplies and prevent them sending them to Great Britain. I might in touching that, without going into it further, point out this, that the true food supply and the strategic food supply of Great Britain is in her own Colonies and her own dependencies with whom she will never be at war, and between whom and herself it is most easy for her to keep continual connexion and continual communication. For the markets of trade are more easily kept open in a friendly than in an unfriendly country, and in a friendly part of the Empire than among the foes of the Empire. So I think that it is wise to look at it from a British point of view, that in proportion as Britain stimulates her Colonies so in proportion these Colonies will become the supply centres of food for Great Britain. Take Canada; take Australia; take Africa. These countries can easily supply all the food of all the varieties that Great Britain needs. It needs an impetus and some development, but there is a possibility, after due development, within a near period, that the Colonies of Great Britain can supply all the food and most of the natural resources that Great Britain needs for her living and for her manufacturing. (Hear, hear.) So that there is this from the Imperial point of view as well as from the strategic point of view to be looked at upon the other side. Now, gentlemen, you will see that this motion is framed so as to give it as wide a range and as great elasticity as possible. This motion does not ask that Great Britain shall give on every product of her Colonies a preferential position, but she may choose as regards certain things which would be of use to her Colonies. Some certain things she might not be able even to put a small duty upon, but she may be able to accede to this proposition without any detriment to her trade and commerce. This resolution is so framed that it does not necessarily become inclusive of all the products. It gives a choice of selection. The only thing to affirm is that more favourable trade arrangements be given to the Colonies than is given to foreign countries. I desire to put in three or four words after the word "products"—making my resolution read, products "in whole or in part," so that it will leave the clause elastic and will not bind a colony to give differential arrangements upon every article of her imports, but will allow a selection, so that a number may be chosen, and upon these a differential rate or more favourable treatment may be given. From an Imperial point of view the unity, strength, and stability of the Empire as a whole would be most reasonably and most certainly assured by the binding together of Great Britain and her Colonies under this clause, and, added to that, the other ties of descent and institution which will also give to them large help in binding them together. So much for the Imperial point of view. Now then, from the Colonial point of view; so far as that is concerned, it is easier because we are not met by the free trade problem in its nakedness and in its entirety. All the large Colonies, I believe, raise a revenue which is necessary for the maintenance of the public works, and which, to be equal to the maintenance of the public services, necessitates a fairly high customs rate, so that to this extent the tariffs of nearly all the Colonies are more or less protective in proportion as the customs rate is fairly high, than if it was merely for revenue purposes. There is added incidentally a measure of protection for manufactured products in each country under that tariff. So that there is not the initial difficulty that we meet when thinking of including Great Britain in the arrangement. My point of view is this; that there are not these difficulties as between Colonies, as we hope to have power to make these arrangements between the Colonies, as in the Colonies there is nothing like free trade pure and

simple, and, therefore, the problem is much easier of solution than as regards Great Britain; that it would be wise for us in the interests of our common sisterhood and of trade and the purely Imperial interest as well as if we were not to wait until the ideal time shall be realised when Great Britain and her Colonies may make these arrangements. It may come some time; I hope it will. But my wish is that we may commence now between the Colonies themselves. Some of them may be disposed to enter into this arrangement or put their heads together and make some arrangement by which their trade shall be developed. It may be done in two ways. For instance, the Government of Canada could propose in their tariff, and carry it, that they would, for every British Colony which gave a like reciprocation or adequate reciprocation, enact, with reference to the goods coming into Canada, that they should be scaled down 5 per cent. or scaled down 10 per cent. for the products of that Colony. A small differential rate would give the advantage. The result would be to direct trade under that small advantage, because who does not know now that trade is done on a very small margin, and that a very small per-centage nowadays will have the effect of drawing and directing trade in channels which it has not hitherto been accustomed to take? I think that 5 per cent. profit on the value of articles on large transactions, as they would necessarily be, would be considered a living profit of itself if that could be saved, because I imagine that a great many commercial men, year in and year out, do not make a clear 5 per cent. upon the whole volume of their transactions. So that the thing is easily practicable. Suppose one Colony says "if Canada will give us certain "advantages we will let their articles that they export in here at 5 per cent. less than "we let the articles of foreign countries in." Suppose Canada says: "If the Austra-"lasian Colonies give us certain trade advantages on what we wish to export there we "will let their products come into Canada 5 per cent. less than the products of any "other country." Does not any one know that that would immediately give an advantage to each of these countries and that our mercantile men would be at once on the *qui vive*. What is it that will sell in Australia and we will send it there. We get a better compensation there than outside in foreign countries. The Australian business men would send to Canada what we buy and get the differential rate on that, and we would protect ourselves in that direction. But if it is found impracticable to make a general reduction of 5 per cent. on everything let us put our heads together and make a comparison of articles that we think can be interchanged on a favourable basis, and let us give with regard to these articles more favourable treatment to each other than we give to foreign countries. The difficulties in a plan of this kind are not, I think, insurmountable. In fact, I think they are quite practicable and solvable, and if we desire to have the full benefit of what we have already done it is possible, I think, for us to go one step further, and make that which we have already done practically result in good. For we are pledged to steamship communication and we give of our money mutually in order to open a line of steamship communication between Australasia and Canada. We are pledged to communication which, so far as we are concerned, means commercial development, but the steamship and the cable fail unless the accompanying trade develops as between the two countries. Let us go one step further and utilize what we have done in steamship subventions and utilize what we propose to do in in cable communication and give this decided impetus to the trade between those two countries one towards the other by a slightly favoured position for the products of these countries one with the other. Now Mr. President and gentlemen, I have in this desultory way put some of the points in reference to this resolution. I do not see that the difficulties are insurmountable. I would like to see the whole scheme carried out, but I think we will come nearer towards carrying out that whole scheme if we, the Colonies, wait no longer for the assent of Great Britain to the larger scheme, but immediately go to work to carry out our part. There have been some indications, some remarkable indications, of late that public opinion is ripening towards that. The *Times* newspaper not long ago had a remarkable article. It was brought out by a resolution passed by our Parliament of Canada saying that whenever Great Britain would give us preferential treatment, we would give a lower scale of duties to her products entering our country. The *Times*, commenting on that, said this in substance: That is a remarkable step which Canada has taken. It deserves to be considered, but Great Britain can scarcely change her fiscal relations for one Colony. What do the other Colonies think about this? And if it does happen that the other Colonies think in the same way that Canada thinks, then the lead has been given to a remarkable proposition which must be considered by Great Britain and she may eventually change her fiscal relations entirely. Now that shows the trend of public opinion in that respect. I have here a statement which I saw in a paper. Lord Salisbury made a speech not long since which is significant of itself

because it follows in the characteristic line of several utterances of Lord Salisbury and other statesmen of Great Britain. Lord Salisbury says :—

> We live in an age of a war of tariffs. Every nation is trying how it can, by agreement with its neighbour, get the greatest possible protection for its industries, and, at the same time, the greatest possible access to the markets of its neighbours. I want to point out to you that what I observe is that while A is very anxious to get the favour of B, and B is anxious to get the favour of C, nobody cares two straws about getting the commercial favour of Great Britain. What is the reason of that? It is that in this great battle Great Britain has deliberately stripped herself of her armour and her weapons by which the battle is to be fought. You cannot do business in this world of evil and suffering on those terms. If you fight, you must fight with the weapons with which those whom you are contending against are fighting.

That is a remarkable utterance. It is the utterance of a leading statesman. No reader of Great Britain's contemporary history is unaware of the fact that there is a great deal of loosening of ideas with reference to this thing, and that people are coming more and more to ask what is the best thing under the present circumstances for us to do with reference to our commerce. Depend upon it, before long the people of Great Britain will be fighting on that practical issue. If it turns out that free trade is best, she will be kept under free trade, and if it turns out that something else is better, that better plan will be adopted. That time may be more or less distant, but controversy is verging towards the practical point and it will have to be settled by the British people. That may be some time in coming or it may come quickly, but in the meantime the Colonies are in the position where they are free very largely from these disabilities to take hold of this question and solve it for themselves. We must take this fact into consideration, that though the weight of the Empire so far as population is concerned, is to-day in the (British ?) islands, the Empire comprises outside territory which has a large population to-day and which 25 years from now will have the largest proportion of the population of the British Empire. Whatever the Colonies undertake to carry out will have by its pressure the power of causing thought and moulding the subsequent action of Great Britain itself. However, my great plea just at the present time is that though we consider imperial reciprocity an ideal which may only be realised by and by, and one for which we should work, we should not divest ourselves of the thought that the Union of the Colonies in this matter is an idea which can more speedily be realised. It is a practical possibility, and we ought to come to the conclusion, I think, that we brethren of kin may do for each other more than we do for outside brethren, who are brethren only by descent from the common parent. (Loud applause.)

Sir Henry Wrixon.—I will second it. It is not understood that I am particularly representing any Colony, but in seconding it I am speaking for myself.

Hon. Mr. Fitzgerald.—I have listened with the greatest attention to the admirable far-reaching, practical, and eloquent speech of the hon. gentleman who introduced this motion. I only wish that hon. gentleman had been standing on the floor of the House of Commons addressing his remarks to the English people, because, while I agree that there is a great deal of force in many of his observations, I cannot concur in the deductions, in the stated facts, that he has so eloquently described. I say, sir, that this resolution, if limited to clause No. 1, would be in itself, I think, sufficient to meet all his objections and would enable the Conference to escape from what I think would be dangerous ground for them to travel. I quite concur, sir, that the opposition to the English on the part of the foreign powers is great, and I cannot but admire the patience with which the English people submit to the disadvantage, under the various tariffs, they are subjected to; and I might say, I think, it is very likely there is a growing opinion in England, an opinion gradually ripening towards a change in her attitude to those powers which treat her in such a hostile manner with regard to their tariffs. But, sir, we cannot forget as far as we in the Colonies are concerned, that the opinion of England is still staunch on this subject. If Englishmen are willing to allow themselves to be subjected to the competition which her policy subjects them to, and if the English people are content to remain in that position, I do not think for one, that the Colonies ought to strike the note of alarm among them or increase that alarm. It is simply in this position: if England is satisfied, why should we disturb her people as far as colonial produce is concerned? What is the position of England in regard to colonial produce? In the first place our tariffs are all directed as much against England as against any foreign country. England is willing to acknowledge that. We may love England very much, but our colonial manufacturers are just as tenacious regarding manufactures as the manufacturer of England, of France, of Belgium, or any other country. Therefore, with regard to that point, and Mr. Foster has laid stress on it, I would ask how he would stand before his own Parliament in recommending such proposals. Look at the position with regard to the Australasian

delegates. Every Colony of Australasia adopts a more or less protective policy. Victoria has one of great dimensions, and prohibits articles of her own sister Colonies entering, and places them in the same position as the most distant nations of Europe. If England gave her a small differential duty upon her exports, and these exports being limited practically to wheat, wine and butter, we know that in the matter of wheat England would never give us any advantage for the simple reason that by doing so she must increase the cost of the food of her people. There is one thing in the consideration of Mr. Foster's arguments which weakens the respect which ordinarily I hold for every utterance from Lord Salisbury. I look upon Lord Salisbury as representing the old landowner's policy; that he sees and feels, as does every landholder in England, that their incomes are declining every year, and why? Because as regards cereals, England is really ceasing to exist as an agricultural country, and why? Because of the enormous influx both from her Colonies and foreign countries of cereal products. It is, therefore, this very point Lord Salisbury may have been looking at, and not at the broad view of the question. If England is to continue to be the centre of the manufactures of the world, it is essential that the cost of the living of the labouring men, necessary for working these manufactures, should be as low as possible. Consequently, in that aspect, as far as the Australian Colonies are concerned, I see no chance whatever to expect any reversal of the policy with regard to breadstuffs. My hon. friend also referred to the fact, which is one mostly for the consideration of the English people and the statesmen of England, and that is the risk that England runs in time of war from the stoppage of her commerce in regard to breadstuffs. I would say there is an explanation given every year when Her Majesty's Government in England asks for increased estimate for naval protection. What is the main argument? It is to protect her commerce, but chiefly with regard to the food of her people. If Russia stopped her supplies, and reduced the export of her wheat, Mr. Foster answers the question himself by saying, that the Colonies are equal to supply the people with food. An encouragement of agriculture would arise if the prices of cereals arose and the increase in agriculture both in Canada and Australia and other countries would be such that in a very short time indeed, the prices would be reduced to the normal rate simply by competition between the countries. Therefore, with regard to grain and cereals I cannot believe that it is other than beating the air and putting England in the position of having the ungracious task of opposing any resolution of this Conference that touches the food of her people. How is it with regard to butter? No doubt butter is an important article of export from one of the Colonies, but it is not likely that England, for the purpose of giving us the advantage in butter, would shut out the butter from the northern or other parts of Europe. Nor do I think that the consideration in regard to our wine would be very great. If England was to be asked to allow her Colonies to form a zollverein among each other in the event of her refusing to unite with them in the customs union, are we not dealing in a hostile attitude regarding her? Therefore if Mr. Foster would excise the second part of this resolution, I venture to say that the preamble No. 1 and preamble No. 2 must receive the assent of every member of this Conference. I cannot regard that it is other than absolutely true "that the stability and progress of the Empire can "be best assured by drawing continually closer the bands that unite the Colonies with "the mother country, and by the continuous growth of a practical sympathy and "co-operation of all that pertains to the common welfare." That is the first preamble. The second is this: "This co-operation and unity can in no way be more effectually "promoted than by the cultivation and extension of the mutual and profitable inter-"change of their products." That is another admirable statement that I think must receive universal assent. Now, in the deduction from this, to my mind, it is sufficient for this Conference to say: "That this Conference records its belief in the advisability "and practical possibility of a customs union between Great Britain and her Colonies, "by which trade within the Empire may be placed on a more favourable footing than "that which is carried on with foreign countries." That is only confirming what we have already adopted when we began. We have demanded this in some cases by legislation, that we should be at liberty to enter into these relations between the Colonies for our mutual advantage. Now, I come to the other: "That pending the assent of the mother country"—that is further than I am prepared to go. It shows that we have reason to expect that England will refuse to the Colonies the extension of our powers by legislation. The words "pending assent" gives the idea that it would be as close to a threat of separation as it could be, and that if England and her statesmen refuse to build a wall against foreign countries, in order to meet the views of this Conference, that we should build the wall ourselves and treat England

as we would treat foreign nations, as hostile. In the face of such an impression as this, what is the use of talking about allegiance or sympathy with the great mother country?

Hon. Mr. Foster.—Who proposed to do that?

Hon. Mr. Fitzgerald.—It appears to me to be a deduction to be drawn from the language of the resolution.

Hon. Mr. Foster.—Not in the least.

Hon. Mr. Fitzgerald.—Therefore if England does not give assent to such an arrangement the Colonies should be permitted to do it themselves.

Sir Henry Wrixon.—We have affirmed that.

Hon. Mr. Foster.—What is the use of Sir Henry Wrixon's resolution?

Hon. Mr. Fitzgerald.—You are entitled to it whether she consents to it or not.

Hon. Mr. Foster.—This resolution is a corollary to what has been done before. Sir Henry Wrixon asks the mother country to give us power to make this arrangement. This resolution affirms that, provided we get the power, we shall make the arrangement if we like.

Hon. Mr. Fitzgerald.—I would like to have it altered if it means that. To me the resolution seems to be a hostile resolution to England.

Hon. Mr. Foster.—If she does not wish to make the customs arrangements, between her and all her Colonies, let her Colonies make these arrangements among themselves.

Hon. Mr. Fitzgerald.—The view I take of it is that it is not entirely removed, though considerably lessened.

Hon. Mr. Foster.—Perhaps it does not convey the meaning which it was the intention it should.

Hon. Mr. Fitzgerald.—If it be affirming simply what we have already adopted, what is the necessity of the resolution?

Hon. Mr. Foster.—Granted we get the power to do the thing, shall we say that we think it is advisable to do it?

Sir Henry Wrixon.—It is the practical application of what we have previously done.

Hon. Mr. Fitzgerald.—The sting is taken very much out of it by that explanation, but I would like to hear that elaborated more before I give my consent to it.

Hon. Mr. Foster.—If it is the opinion of the Conference that it is to be done, it should be done.

Hon. Mr. Fitzgerald.—We have the strongest objection to taking any action which may, by anticipation, convey to the home authorities an expression of opinion that this Conference has any reason to suspect, much less to believe, that the resolutions carried here, the expressions of opinion moderately made with regard to these resolutions, will not be received with attention at home, and acceded to by the home government. Having that feeling, I desire to avoid in every possible way acting in any sense which would have the effect of lessening our chance of succeeding, and certainly of introducing a breach, or some extended departure from the friendly relations that now exist between the Colonies and Great Britain, and between the Colonies themselves, which I hope may be enduring and lasting.

The President.—Do I understand, Mr. Fitzgerald, your objection to be more particularly to the third paragraph?

Hon. Mr. Fitzgerald.—The third; where it says, "and further resolved"; it is the latter one of the two resolutions.

The President.—I merely ask for information. You do not object to an affirmation of the principle that the Colonies should enter into reciprocal relations among themselves, do you, independent of the mother country, altogether?

Hon. Mr. Fitzgerald.—No, I do not.

Sir Henry De Villiers.—I was very much impressed by the argument of my friend, Mr. Fitzgerald, but it strikes me that the whole of his argument was directed rather against the first of the two resolutions, though in the end he said he would vote for the first and against the second.

Hon. Mr. Fitzgerald.—It was the other way.

Sir Henry De Villiers.—To my mind he seems to have rather misunderstood the second resolution, but I did not rise with the object of making a speech upon the subject,

but merely for the purpose of asking a few questions to enable me to decide how to vote. In the first place I should like to know from the mover whether it is proposed to enter into a kind of customs union with Great Britain; whether he proposes, for instance, that Canada should impose no duties whatever upon goods imported from England.

Hon. Mr. Foster.—I will answer that question first. The words "customs arrangements" were put in designedly in order to leave just as wide a leverage as possible. It does not mean that there should be one tariff all around, as a customs union would; it does not mean that necessarily. If the Colonies and Great Britain would agree to that, it does not preclude it. It does not mean that there should be a customs union by which the same tariff would be levied all around necessarily. Neither does it affirm that there shall be no duties levied, or that goods shall be free between the two. It leaves it between these two extremes, so that an arrangement can be made, the effect of which will be simply, that as between Great Britain and her Colonies trade will be more favoured than it is between Great Britain and her Colonies and foreign countries. There is the whole range of negotiation between those two points, made just as wide as possible, so as to allow the principle to be adopted.

Sir Henry De Villiers.—The question will be whether this is not a very one-sided arrangement, because I was looking at the bill which was placed in our hands of the duties to be imposed by this Dominion, and I find there are enormous duties imposed on goods imported from England. Then, is it proposed that these import duties should continue with a deduction of simply 5 per cent. suggested?

Hon. Mr. Foster.—Whatever arrangement may be made. Suppose that Great Britain and Canada come together, talk over the matter, there is our tariff, there is your tariff, what arrangement can we make? Anything within the lines of an arrangement may be made possible under that.

Sir Henry De Villiers.—Then I would ask whether, in point of fact, the trade of Great Britain with foreign countries is not far in excess of her trade with her Colonies?

Hon. Mr. Foster.—Four times as much.

Sir Henry De Villiers.—And I would inquire whether the effect of this motion will not be to greatly diminish that foreign trade, and therefore to diminish ultimately the trade which the Colonies will have with England?

Hon. Mr. Foster.—That is a question of opinion.

Lord Jersey.—I will state to Sir Henry De Villiers that in 1891 the trade between Great Britain and her possessions was 22·84 per cent. on the whole, as regards imports, and 30·20 as regards exports. If you look at this diagram you will see it is represented generally as being about one-fourth of the total trade of Great Britain.

Hon. Mr. Fitzgerald.—Of course that includes India.

Lord Jersey.—Yes. Then I would point out that the last resolution, to which Mr. Fitzgerald took some exception, does appear a little bit stiff, if I may use the expression, because our first resolution, moved by Sir Henry Wrixon, was, that provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including the making of a differential tariff with Great Britain, or with one another. That was carried. Then this one says:—"That pending the assent of the mother country to such an arrangement "in which she shall be included, it is desirable that the Colonies of Great Britain, or "such of them as may be disposed to accede to this view, take immediate steps," and so on. The language seems a little bit stronger perhaps than Mr. Foster means.

Hon. Mr. Foster.—That is a fair criticism. That criticism is, that no step could be taken until authority was given.

Sir Henry Wrixon.—It assumes legislation will necessarily be passed.

Lord Jersey.—But it goes beyond that.

Hon. Mr. Foster.—That is quite true. That is an excellent criticism. I have assumed that, but that must not be assumed in the resolution. I would like to give the figures for 1892. Lord Jersey has given them for 1891. I will give them as regards imports and exports both. The total imports in 1892 was 424,000,000*l.* in round numbers; the foreign, 326,000,000*l.*; the British Colonies, 98,000,000*l.*; the total exports, 291,000,000*l.*; the foreign countries, 210,000,000*l.*; British Possessions, 81,000,000*l.* It is a little less than a quarter as to imports, and a little less than a third as to exports.

INTRODUCTION OF MR. HOFMEYR.

Hon. Jan Hendrick Hofmeyr was introduced to the Conference, as one of the delegates from the Cape of Good Hope, and was given his place in the Conference.

TRADE WITHIN THE EMPIRE—(*continued*).

Hon. Mr. Fraser.—I listened with rapture to the speech of Hon. Mr. Foster, and I am sorry I was not able to speak immediately, because even, in this short time, my memory has partly failed me. After reading this notice of motion carefully through, I am in most hearty sympathy with it, except perhaps the latter sentence, "and further resolved," &c. There may be some further modification made in respect of that. If so, I am quite certain the Hon. Mr. Foster will not object.

Hon. Mr. Foster.—Certainly not.

Hon. Mr. Fraser.—If there is anything in the latter part of it which is of a dictatorial nature—I do not say it is so, but even if there is anything in it which may be looked upon as of that nature—I would desire it should be modified, because I would not for a moment dream of putting a single word in a motion like this that would have anything of the character suggested. We have come here from our Colony with the greatest desire and wish, not only of the Parliament, but of the colonists assembled at a public meeting, and expressed, that we should in every sense promote trade with the Dominion of Canada. That is the object of our mission; and, as this is in that direction I fail to see what objection there can be to it. It may be suggested, of course, that by promoting trade with Canada we may lessen the trade with Great Britain. We, of course, are naturally anxious to increase the trade with the mother country; we are anxious to increase your trade with Australia, and lessen the trade of foreign countries with Australia. We have a certain volume of trade. We are going in the direction of our wishes by taking any step that will increase our trade with each other, or with the mother country, or which will lessen the trade with foreign countries. The steamships running to Australia are subsidized by Germany, and subsidized by France, clearly showing that they are anxious to force a trade with Australia. They have a very large trade with Australia, and, if the mother country, and the Colonies, can, by a slight differential tariff, assist each other, it will result in good. Of course, I do not know that the mother country would entertain it. It is no harm to make the proposition; and, if it is not acceptable to the mother country, of course she would not entertain it, and if she did not entertain it, we would not be any the less satisfied on that account. Of course she has a perfect right to look to her own trade relations. If she entered into an arrangement like that with the Colonies, whether it would lessen her trade with other countries is a matter she must consider. That is a question for the mother country. If the Colonies cannot trade with each other on mutually advantageous terms, there is no danger of any arrangement being arrived at. It must be to their mutual advantage, otherwise they cannot come to terms, unless one Colony is so very, very clever as to get an advantage, and I suppose that each Colony, and certainly the mother country, can be relied upon to look after their own interests. I do not think that any better step could be taken for the unity of the Empire, or for the advantage of the Empire, than a step in this direction, viz., that the trade between Australia and Canada should be greatly increased. What is the use of subsidizing steamships, unless we are going to take some other steps to assist in that direction? We naturally expect that trade will follow if we subsidize steamships, and if we construct cable lines, and we have a mandate from the Chamber of Commerce, and from Parliament, and from the people of Victoria to assist in that direction, and therefore, if we do not pass this resolution, or agree to it, I do not think we are acting in the direction that our duty should dictate to us. I know that the Australian Colonies have not yet passed a free trade customs tariff with each other, but all the business people admit, nay more, the electors admit, that it is a most desirable thing to do. I do not see that there is very much difference between doing that and extending it in the direction of trade with Canada, or the Cape of Good Hope, because the trade with Canada and Australia is very limited indeed now, and it will not disarrange matters to give it a clear footing. Of course I can quite see that before we enter into trade relations with Great Britain we would have to consider our finances, because millions of our revenue is derivable from the import duties on goods from Great Britain, and, therefore, a question of revenue would come in; but, the question of revenue does not come in in discussing the question of trade between Canada and the other Colonies. Moreover,

if we do not encourage trade of this kind between the Colonies, what hope is there of keeping alive this spirit that we so much try to encourage, that is, the spirit of friendship, and the wish to help each other in times of national disaster or trouble. It is all very well to say we meet at the dining table, and in other ways, and that the sentimental feeling is naturally very strong; but, if there were no trade relations with the countries concerned I feel clear that in a very short time our sentimental speeches would be forgotten, and we would lapse into a condition of knowing very little about each other. It will not be so if we encourage trade, and if trade is developed. We would thereby strengthen all the ties that should be strengthened, and they will be permanent in every respect. It is no use to make a comparison. In a small way I can quite see that we might do a large business in many ways. Even in the line of paper. I visited the Eddy Company's mills the other day; they are perfectly surprising. When I asked them the price of their printing paper per pound, and compared it with the quality we are using in Australia, I was amazed at the cheapness of the production. Yet, I can quite understand it. You have water power here costing you little or nothing, even the water power brings the logs from the forest to the mill without great expense; then you have the very timber that the paper is made of at your very door; and, I should imagine that you would be able to defy almost any country in cheap production. We consume immensely of that product, and it is a product that runs into large figures. Australia is consuming an immense lot of it with the daily morning and evening papers. There is very large opening in that direction alone. Of course the difficulty would be the transportation. That may be done by sea from Montreal to the various Colonies, and that difficulty could be overcome. In many other respects I see where a trade could be opened up. If trade was opened up, British steamships would be employed in that trade. Instead of foreign steamships being employed running from San Francisco to Australia, I would like to see the trade diverted from San Francisco to a Canadian port, to the St. Lawrence, or to Victoria, or Vancouver, or to any other Canadian point. The British flag should carry the produce that is now sent through the United States. I am quite sure, so far as I can read the opinion of the Colonies, and especially our Colony, I do not think there is anything in this motion that they would take exception to. Perhaps the latter clause: "Pending the assent of the mother country" might be worded so that it would not grate on the minds of the most sensitive in England, because I would wish that anything of that nature should be eliminated. With the exception of that, and one or two other little words, I heartily give the motion my support, and hope it will be adopted.

Hon. Mr. SUTTOR.—I think the gentleman who has just resumed his seat has discussed the broad question of encouraging trade relations between Canada and Australian Colonies rather than considered the proposal which has been submitted to us by the Hon. Mr. Foster. It seems to me there is a very broad and material distinction between that question and the question we are asked to consider in the resolutions submitted to us. I have read as carefully as I can these resolutions over and over again, with a view of seeing if I could not in any way alter the first interpretation I gave them, and I find, so far as my power of reading English will permit me, that the first meaning I gave to them is the one that still retains itself in my mind. The Hon. Mr. Fraser, who has just resumed his seat, says he takes no exception to the first resolution, leaving out of consideration for the time being the two preambles, if I may so describe them. If we come to the first resolution, the Hon. Mr. Fraser apparently takes no exception to that as submitted for our consideration by the Hon. Mr. Foster. But surely he must see, if he reads it in the same light as I do, that we are there expressing an opinion that England should reverse her whole national policy as regards free trade, and that she should institute a discriminating tariff, allowing products to come from the Colonies free, whilst, at the same time, she should impose a duty upon all goods sent into England from any foreign power.

Hon. Mr. PLAYFORD.—The resolution moved by Mr. Foster does not say all.

Hon. Mr. SUTTOR.—We must admit that we are inviting England here to establish a tariff which will put an end to her free trade policy, and allow the products or the goods coming from the different Colonies to be admitted on more advantageous terms than those coming from foreign nations.

Hon. Mr. PLAYFORD.—Treat her own children a little bit better than she treats foreigners.

Hon. Mr. SUTTOR.—That implies or asks us to say that England must, at any rate, put a duty upon foreign goods coming into the Kingdom. I would like to ask gentle-

men who come here representing the Australian Colonies whether we are at this time prepared to commit ourselves to such an expression of opinion as that? I think we must at the same time consider, whilst we have this matter under discussion, that something more practical and practicable should be laid before us than this resolution that is now submitted. We know perfectly well, all of us, notwithstanding the expression of opinion that has been given by Lord Salisbury, and quoted by Hon. Mr. Foster this morning, that there is no very strong party in England, on either one side of the House or the other, that is prepared to change the fiscal policy of England at this present moment; and, without expressing any opinion of my own, I have heard many strong protectionists in the Australian Colonies, and the same might apply to Canada, who argue and admit that if they were in England, having the feeling of Englishmen, they would be free traders rather than protectionists. The great distinction between the Colonies and England is that we are all large producing centres, whilst England is a large manufacturing centre, and I have often heard protectionists say, if they were in England, and belonged to a great manufacturing centre, they would be free traders. I for one do not feel that I should be justified, under the circumstances, in voting for such a resolution as this. I think the proper course for this Conference to adopt is to adhere, as far as possible, to practical ideas and positions. I do not think, for a moment, if we carried such a resolution as this, that any good could come of it. England is not prepared now, any more than she was two or three years ago, when the Dominion of Canada asked the same terms as are now appealed for and they were declined; things are no further advanced than they were then. Therefore, we would not advance our cause at all in inviting England to consider for a moment any such proposal as this, that she should discriminate as between the Colonies and the foreign countries with whom she does business. We admit, all of us, that it is desirable to preserve the cordial relations which exist between England and the Colonies, and if possible, to make these ties still stronger, but is it likely that by carrying such a resolution as this, which implies that England should altogether alter her fiscal policy, we should assist in that direction? As regards the second resolution proposed by Mr. Foster, it really says that, in the event of England declining to comply with our request, we should enter into a sort of zollverein among ourselves, placing all the Colonies in a better position, as regards trade, than any other part of the world, and that would, of course, mean that England should be placed at a greater disadvantage than the rest of the Empire, if she declined to accede to this proposal we now make to her. I feel sure that she will decline. I feel that she will not agree to the proposal in the first resolution, and if she does not agree to that, as we may conclude she will not, from the answer she has already given to this Dominion, what will be the position with regard to the second resolution—that we will endeavour, between ourselves, to enter into a commercial treaty with the rest of the Empire, excluding England, which will place England in a worse position than Canada, Australia, or the Cape, or all three of them. I think it is unfortunate that something of a more practical nature was not submitted to us than is contained in these resolutions, and I feel that I cannot pledge the Government of the Colony that I represent here to any such proposition as I am invited to agree to by the Hon. Mr. Foster, and, therefore, if it comes to a vote, rather than commit my Colony to such strong views I shall have to decline to vote, as the Hon. Mr. Playford has already done on another matter, on a question like this, which I think is quite beyond the scope of our inquiry. I think it is one that we should not now be required to express an opinion upon. I am quite prepared to listen to and to give the most favourable consideration to any proposal of a practical nature that is likely to bring the trade of the Australian Colonies and Canada more directly in unison than it is now, and, without going into detail, there are, undoubtedly, two or three large marketable raw products that we produce, and manufactured articles produced here, in which a very great and large trade might spring up; but that is a mere matter of encouragement of trade, rather than great proposals to alter the fiscal policy of the Imperial nation. Of course, none of us, I think, came here expecting that Canada was going to forego in our favour what she calls her National Policy, or to give up protection in favour of intercolonial free trade; we did not expect it, we have not got it, but the Hon. Mr. Foster has intimated to-day that he is quite prepared to go as far as 5 per cent. in favour of the Colonies, if they will reciprocate in some way.

The PRESIDENT.—He only gave that figure as an illustration of the principle he advocated.

Hon. Mr. SUTTOR.—Though it is an illustration, it shows clearly that Canada is not prepared, nor has she stated that she is ready, to open her ports to any goods that are

now dutiable. Without going into detail I will remind the Conference that one of the great articles of production in all the Australian Colonies is wool, and we know that wool is absolutely free in Canada and that trade merely requires to be encouraged, such as I hope may be the result of a mail service between Australia and Canada, so that we may induce the people of Canada to come down and buy the wool first hand, instead of as they do now, through the London or American markets. Then, again, as already mentioned by Mr. Playford, and I myself have mentioned it, there is a great opening for trade in Australia for paper made of spruce wood. I think I am right in saying paper is admitted free of duty into the Australian Colonies, at any rate it is free in New South Wales. Then, again, we know that you produce here large quantities of cotton goods. In my Colony all cotton goods, so long as not made into garments, are absolutely free, and therefore we are quite as ready to do business with Canada in those commodities, as I hope you are ready to do business with us in the matter of wool.

The President.—What did you say was absolutely free?

Hon. Mr. Suttor.—All cotton goods.

Hon. Mr. Playford.—I think they are free in all the Colonies.

Hon. Mr. Suttor.—With regard to this resolution I have already said I do not see, in its present form, that I should be justified in committing my Colony in respect to it.

Mr. Lee Smith.—I think all of us who have listened to the address of the Hon. Mr. Foster must admit he has given a very lucid and clear statement of the position from his point of view, and he has very eloquently described the feeling which binds together Great Britain and her Colonies, and he very properly, as I think, wound up by saying that those bonds would be more firmly cemented by paying more regard to the great question of the commercial relations between Great Britain and her Colonies. I may say, sir, I quite agree with that view. On no account whatsoever must we do anything in this room which will in the slightest possible manner hamper Great Britain in her trade relations with the world at large. Great Britain is a free trade country, it must necessarily continue to be a free trade country if it is going to preserve that pre-eminent position which it already holds, and which I hope it always will hold, in the commercial affairs of the world. Looking back to the time when Great Britain first acquired this great pre-eminence, we find that it was brought about by a combination of peculiar circumstances. First of all, the leading cause was the fact that all the manufacturing nations of Europe were exhausted through a long continuance of wars, and at the same time there occurred the introduction of the great motor which now moves machinery, that is the introduction of the power of steam. Those two factors, combined with the wealth that Britain had already then in reserve, enabled Great Britain to take immense strides, and acquire a leading position in the commerce and industry of the world; and how has it continued to do that? It has continued to do that from 1830, 1845, and onwards by the maintenance of a free trade policy; steps taken to enable the great population of Britain to be employed in manufacturing raw products sent from all parts of the world. The Hon. Mr. Foster has referred to the change in the opinion of the British people as to the wisdom, or otherwise, of this policy. From my point of view, and from my reading, I think that all these efforts that are being made by the protectionists, by the fair traders, and so on, will really result in no good whatever; they are wrong in principle. For instance, as a matter of illustration, any effort made to preserve the rent of land in England by any of the artificial measures which have been prompted by the Hon. Mr. Chaplin and others, for the purpose of associating for buying goods of each other, and the several other ways they have proposed to preserve the position of the average landlord, will be utterly futile. The real reason why rents have gone down in Britain is this: In Britain there are three classes of people supported off land. That was quite possible so long as there was a limited area of land outside of Great Britain available for the production of the increased supply of wheat necessary for the consumption of the world. But now you have brought in a large area of virgin land, a continually enlarging area of virgin land, suitable for the production of wheat. You have, by the aid of science and means of quick communication, both by letter and telegraph, and by steamers carrying immense cargoes, cheaply brought those within a very short distance, so to speak, of England, and when you consider that the person who produces that wheat is himself the whole of those three classes, landlord, tenant farmer, and labourer, the British landlord cannot expect that his lands will give to him and to the tenant the same proportion of return that they have done in the past, and I do not think any efforts

an artificial nature will interfere with the condition of things as they now exist, and as I have endeavoured to point out. Therefore, I believe that the policy of Great Britain lies immediately in the direction of continuing free trade. If you have a protection in any one raw product in England, what will you do? You limit the manufacturing power of Great Britain, in comparison with other countries, and reduce the area of the manufacture, and consequently the employment of labour, which is the great question we have to deal with at the prsent time. So that in anything we may do here I believe that we must take as the leading principle this, that you must in no way hamper Great Britain; and I do not see how, in the Hon. Mr. Foster's resolution, we can avoid putting Great Britain at a disadvantage. I hope I am reading it properly. That is to say this:—We may give Great Britain advantages here, but we cannot ask Great Britain in return to place her customs duties in such a position as to give us a better position than other nations. I do not think that that is possible. For instance, there is not a single raw product, I believe, but what Great Britain allows to come into her ports quite free. You do not do so here. We do not do so in many of the Colonies, I believe. Therefore, I think the first move we should make is in the direction of reducing the duties upon raw products. That is the fundamental principle on which we should go, leaving manufactures to be dealt with hereafter. Now, as an illustration, let me point out that I find that merino wool is here free; there is no duty in Canada on merino wool, but there is a duty of three cents per pound on Leicester and on other wools. Now, my country is a Leicester and Lincoln wool-producing country. There is an anomaly at once. Why should merino wool be allowed to come in free, and not Leicester and other wools which the Colony of New Zealand produces? Then again, I understand the Hon. Mr. Foster suggests there should be a differential allowance of, say, 5 per cent.

Hon. Mr. Foster.—I was just illustrating. It might be 25.

Mr. Lee Smith.—Five per cent. upon three cents per pound would be inappreciable, because it would not touch that great market of London where there are opportunities of getting the highest prices by reason of the fact that it is the world's market, and buyers go there from all parts of the world. I hope this resolution will not pass. I hope we will affirm the principle that nothing must be done to interfere with Great Britain. We can ask Great Britain to do nothing whatsoever. She has already done what she can do. She has thrown her ports open to the world on raw products, and to help us, she would have to put a duty upon those, and that is impossible. Her answer to us would be, "You cannot give us the kind or quantity we want." They would not stand a duty on wheat, the same as to wool, and every other commodity. As to manufactured goods, we might make a discrimination in this class on wools here, you might make it 20 or 25 per cent. on all products from Great Britain to any of the Colonies, but Great Britain could not give us anything in return. We would be making Great Britain a present of so much lessening duty, and that I might be prepared to do, but you go further than that, and you put Great Britain in such a position that she will have to distinctly refuse, or if she does it, it will be very much to the disadvantage of her people.

Sir Henry Wrixon.—Mr. Chairman, I will vote for the motion. I do not exactly understand what the difficulties are which some of my friends have expressed. I am beginning to question as to whether there is not some confusion in my own mind; probably there is. Either I am confused, or my friends are confused, because I do not exactly know what the difficulty is. The whole of this motion is merely an expression of the sense of the meeting. My friend has spoken of binding Great Britain. The whole thing only amounts to an expression of a hope. We are a peaceable collection of gentlemen, we may express any opinions we like for what they are worth, without any one talking about cornering Great Britain.

Mr. Lee Smith.—I did not say "cornering."

Sir Henry Wrixon.—I am merely expressing my own idea. The whole thing is merely the expression of a pious wish, and I think eminently a wise wish. The preamble no human being can object to. As to the last paragraph, no member of this congress who has voted for the resolution that has been carried can object to it, because by the first resolution we carried we deprecated, in our speeches and resolution, the disability we were under of entering into arrangements between ourselves. We loudly complained of that, and raised our voices on high to the Imperial authorities to enable us to enter into arrangements between ourselves. How any man who voted for that can turn around and say it is improper to express a wish that this arrangement shall go on after they authorise it, I cannot understand. Therefore, as regards the preamble,

and the third paragraph, I cannot understand what the difficulty is. As regards the middle one, I quite admit if we were in any way to dictate to Great Britain, it would be ridiculous. We are only expressing a hope that Great Britain may see her way to come to a certain arrangement. We have nothing more to do; we have no power in the matter; it only rests with Great Britain to deal with the important and difficult problems which are therein involved. We cannot force a conclusion in any way. I certainly express the hope, and I shall be delighted if Great Britain can see her way to enter into such an agreement between the Colonies and herself. It will be a grand thing if it can be done and no human being can say anything against our expressing a wish that it should be done. I wish for it, and I hope for it. As to when or how it will come about, I do not know. That is in the hands of the higher political powers of Great Britain. Of course it opens up an interesting question as to Great Britain herself, which it is not necessary for us to enter into. It is a most complicated and interesting problem. There can be no doubt whatever that the prognostications which were made when the great free trade platform of England was adopted have not been fulfilled. It was confidently stated at the time that it would not lead to any diminution in the culture of the land, but, on the contrary, the culture of the land would go on as well, or better than before. We all know that the land of England is going out of cultivation. Whether the English Government may find it necessary to reconsider the matter, as I say, I could not venture to express an opinion. All I can say is, there is no doubt whatever that part of the prognostications of the free trade element have become worthless. I wish to remind the Conference that we are merely expressing the wish and hope that Great Britain may be able to enter into some arrangement with the numerous children of her family, if she finds herself able to do so, and we will be delighted to join in. Then, the last resolution is only adopting, in a practical shape, what we have already asked power to do.

Hon. Mr. Playford.—It appears to me, sir, that this is one of those resolutions we may very well pass. I do not understand that this is beyond the scope of our present inquiry. We are here in conference for the purpose of considering the trade relations of the whole Empire, as I understand it, not merely the trade relations between the parts outside the mother country. I contend that we have a perfect right to express our own opinions as to what course should be adopted to give effect to the statements contained in the first paragraph of this resolution. My honourable friend Mr. Fitzgerald says that he approved of the first part, he contends that everybody must agree with it. I ask him, how can we give practical effect to it, or how can practical effect be given to our aspirations contained in this first resolution, unless we carry the others that succeed it? What does it say? "The stability and progress of the British "Empire can be best assured by drawing continually closer the bands that unite the "Colonies with the mother country, and by the continuous growth of a practical "sympathy and co-operation in all that pertains to the common welfare." Now we have got to give effect to the idea of practical sympathy and co-operation, and how can we do it? Is there any way to do it except in the way suggested in the resolutions that follow? I admit, with the member that represents New South Wales, Hon. Mr. Suttor, that we are undoubtedly expressing a wish, which, if England gives effect to it, will be a reversal of the free trade policy that she has had for so many years past. But, I think the time has arrived when the eyes of England are being opened to the fact that her free trade policy is not going to produce the results which were so fondly anticipated it would produce when it was first brought into existence. Changed conditions have altered the case altogether. She is not now, as she was at the time of the great exhibition in 1850, the workshop of the world. Other nations have learned from her, other people have copied her, the machinery that she has got they have got, and, in addition to that, they have something else which she has not got, they have cheaper labour, and as a result of that cheaper labour they are gradually forging ahead with their manufactures, they are gradually taking the trade which ought to belong to the mother country, and competing with her in her outside markets, and actually importing manufactured material into Great Britain itself. Having been connected for so many years with the Colony of South Australia—it is only a small Colony, but I dare say I can judge that the same processes are going on in the other parts of the world—I have had special opportunities of being able to judge of what is taking place with us. Year by year larger importations of foreign manufactured goods are coming into our country. I will only mention one instance to place the matter clearly before the members of this Conference. A year or so ago we made a contract for a large number of locomotive engines, 92 of them, many of them of very large power, and therefore, entailing a great deal of work. The contractor for those engines naturally went about

to see where he could obtain the material cheapest for the construction of those engines. What was the result? That he found that the bed plates of the engine, that the boiler plates of the engine, that the wheel centres, the tires, the tubings, in fact there was only one article he required in the construction that he could get cheaper than at Krupp's manufactory, the great German manufacturer of cannon. Krupp said, All right, if I am going to give you the other things cheaper you must take all from me; so that in fact the whole of the material for the 92 engines is coming from that manufactory, simply because he can make it cheaper than they can make it in the mother country. He makes it cheaper simply because he has wages at a lower rate than in the mother country. That is not all. If you go to the other Colonies you will find that the same maker is supplying to Melbourne, and is supplying Sydney. I do not know whether he supplies Queensland, but I know these two places have purchased largely from him. Our government, for the necessary repairs to our lines, are also purchasing largely from him, simply because he supplies these materials at a lower rate, and we, who have not merely a sympathy, but a practical sympathy, with the mother country, would rather get our material from the mother country, even if we paid a little more for it, than that we should be dependent upon a foreign country for the goods we require. I think the time will very soon come when England's eyes will be opened to the fact that she will have to treat her Colonies like France treats hers, that she will have to treat her Colonies and give them advantages over foreign nations, just like France treats her outside Colonies, and that she will find unless she does that her trade will gradually diminish, and that she will not be able to command the trade she has been doing in the past. I contend that Mr. Foster the mover of this motion, in his very able address, has proved all the positions he has taken up. At first, when I heard him read the proposal, I was inclined to think that perhaps it was a subject we had better not deal with, but having quietly read it through when it was put on the notice paper, there is nothing, so far as I can see, that needs at all to be altered. We are expressing an opinion to the mother country, that she should treat her own Colonies a little better than she treats foreign nations, and that she ought to give them some slight advantage, the Colonies at the same time being willing to reciprocate, and give her an advantage over foreign countries. It will be a benefit that will be appreciated on both sides, it will be an advantage to all of us, and I contend it will be a very considerable advantage to the mother country in the long run, as well as to the Colonies. In time of war, as has been pointed out by the Hon. Mr. Foster, would it not be a great deal better for the mother country and the Empire in fact, to be self-sustaining, and not required to go outside its bounds for its own food, or for anything that it requires? If England does encourage the production of even grain by putting a small duty upon grain coming from foreign ports, if she does encourage that production within the bounds of her own Empire, so much the better it will be for her—possibly, in some time of distress when she is at war with some great foreign power who at the present moment supplies her so largely with that necessary of life. Although, for a short time, the people may have to pay a trifle more—and it will be a very trifle—it will be better for them to do that than at some future time find that they cannot get the food that they require in consequence of a war that may be raging at the time. I feel certain, in my own mind, that I am expressing the views of my own government in this matter. In our Colony we have a protective tariff. We feel that so far as we are concerned, as part of the Empire, that we ought to do all we possibly can, not only to help ourselves, but also to help other parts of the Empire, and when I have been in office as Minister of Public Works, I have shown my practical sympathy to Great Britain in the case where Belgian manufacturers offered to supply us with a considerable quantity of rails at a lower price than Great Britain. I recommended my colleagues to give the contract to Great Britain, and pay the higher price, in preference to giving it to Belgium. We have been more than sympathetic, we have shown our consideration by practice. I will also refer to the Colony of Victoria. At the present time that Colony has shown her sympathy towards parts of the Empire where sugar-cane is grown, and where sugar is manufactured as against the foreign importation of beet-root sugar. They have a special tariff for the purpose of excluding that particular kind from their market. Personally I tried it when I was Treasurer, when we were passing a tariff in our Colony, I proposed the same thing with reference to South Australia, and I lost it only by a vote of one. I guarantee to-day, if tried, it would be carried by a large majority. I have great pleasure in supporting the motion.

Lord Jersey.—Of course it is understood that upon none of the resolutions of the Conference am I in a position to give a vote, and it would be wrong on my part to enter into a discussion on free trade or protection. I should like to point out to the Confer-

ence that though it is entirely within its power to record its belief as to the practicable possibility of the first resolution, yet I think that it would be well to consider before that resolution is passed as to whether there are not some difficulties in the way. I mentioned just now with regard to the trade of Great Britain, that more than three-fourths of it was, so to speak, trade outside the Empire.

Hon. Mr. PLAYFORD.—We are not proposing to touch that, we are only proposing that she should give a little advantage to her Colonies.

Lord JERSEY.—Quite so, but if Great Britain is called upon to break up the whole of her commercial system, there is no doubt whatever that that trade also will undergo an alteration of some kind.

Hon. Mr. PLAYFORD.—She would not do it all at once.

Lord JERSEY.—England would have to consider what effect any great change in her fiscal policy would have on this enormous trade, this over 76 per cent. of trade, which she carries on with the world; and, as has been pointed out by the figures, a good deal of that trade consists of articles which are manufactured from the raw products of the Colonies. The Honourable Mr. Playford has very truly said that there is a great disposition on the part of the Australian Colonies, whenever they possibly can, to deal with the mother country, and I find from the Honourable Mr. Mackenzie Bowell's invaluable book that in 1891, in South Australia the import trade from the United Kingdom was 2,876,000*l.*; from Germany, where these carriages come from, it was only 322,000*l.* Sir Charles Mills has handed me a paper which I will ask you to allow me to read:—

"It may be useful to recall the figures of the trade of the United Kingdom as summarised by Sir Rawson Rawson for the year 1890,—(and they are essentially the same for 1893)—and to avoid the use of totals, which convey very little to the mind, we may avail ourselves of the figures representing the percentage proportions. Adopting this method, we find that the Colonies—excluding India, the Straits Settlements, and Hong Kong—represent 15·1 per cent. of the total trade of the United Kingdom, of which 2·7 represents the trade with North America, 7·5 the trade with Australasia, 2·2 the trade with South Africa (Cape of Good Hope and Natal) and 2·7 that with all our other Colonies."

I mention this, not to take any part in the debate, but to urge the Conference to consider carefully as to whether they are so well satisfied that there is no practical difficulty in this great change which it is proposed the mother country should make.

Hon. Mr. THYNNE.—Almost every other member has spoken before I have addressed myself to this resolution, because I have felt considerable difficulty in seeing my way to accepting it. I do not think the difficulties which I have seen have been in any way removed by the speeches of those who have expressed themselves favourably to this resolution. This is a resolution which, so far as I can see, is not likely to be productive of any immediate or very practical consequences. No one in this room will question the accuracy of the sentiments contained in the two portions of the preamble, but it is assumed by some of the speakers that because the preamble is true and correct that the resolutions are also true and correct, but I do not see the sequence between, say, the first resolution, and the two statements in the preamble. We all agree that the practical sympathy and co-operation and unity between the different parts of the Empire will be beneficial all around, but that does not prove the statement in this resolution that it is advisable, and also practically possible, to make the customs arrangement mentioned in this resolution. What is the customs arrangement mentioned in this resolution? It is put, in a general way, as an arrangement by which the trade within the Empire is to be placed on a more favourable footing than that which is carried on with foreign countries. That is nothing, to my mind, more or less than adopting the French system of having a minimum and a maximum tariff. If it is to be carried out it involves the proposition that Great Britain is to put a tariff on those goods in which we deal with her, and in which she also deals with other parts of the world. The figures which Lord Jersey has been good enough to give us show that the whole of the colonial trade with Great Britain is only 15 per cent. of the whole of her trade. If we delegates, representing the Colonies, combine in making a request to the people of Great Britain to put on protective duties, or revenue duties, whichever you may call them, for the sake of pleasing 15 per cent. of her customers, I think we are asking the mother country to do a thing we ought not to ask her to do. Apart from that, sir, we have to look at this question from two points of view. I have referred to the point of view of Great Britain. Is it a practicable thing to ask them to put on duties, and to so alter their fiscal system as to let our goods going into Great Britain have a preference over the goods of other countries? At present it certainly is not. If we may forecast what may come in the course of a long future,

it is another matter, and it is a matter which I think this Conference ought to avoid dealing with as much as possible. I agree with my honourable friend Mr. Suttor in saying that this Conference ought to confine itself to matters that are likely to produce early and practical results, and not allow ourselves to be drawn away into discussions which are more or less half-hearted, inasmuch as there is no practical responsibility attached to the opinions which are expressed in connexion with it. With regard to the second part of the resolution, I am asked, as one of the delegates here, to express an opinion, and to commit my colleagues and Government to an opinion that our Colony should, on its part, so alter its fiscal system as to reduce duties, to discriminate between goods of other British possessions, and foreign goods; to alter our present system. All I can say upon that subject, Mr. President, is this. That question has never been formally considered by my colleagues, and I am not here to-day prepared, either to express an opinion of my own, nor to commit my Colony, in the slightest degree, to any opinion upon the subject. If I did so, it may be it would not be acceptable to our Parliament, and it would be a very unfortunate thing, indeed, for the future of conferences, if when a proposal to call a conference together was made, each of the Governments would say, Well, what are we going to be drawn into at this conference, what is going to be the result of it? At such and such a conference opinions were expressed which have led to very disagreeable results, and we are unwilling to expose ourselves to those risks.

Hon. Mr. Playford.—"Or such of them as may be disposed." It is very carefully worded.

Hon. Mr. Suttor.—We are only saying that we are not disposed.

Hon. Mr. Thynne.—I think the Hon. Mr. Suttor and myself both take the same grounds. I am not disposed to commit my colleagues.

Hon. Mr. Playford.—You do not commit yourself.

Hon. Mr. Thynne.—I was proceeding to comment upon the second resolution. I was not referring to what might be called the mandatory tone which the words no doubt contain.

Hon. Mr. Foster.—Where do they bear that meaning? That is a frightful word to use.

Hon. Mr. Thynne.—In a sense it might bear that construction, but I am sure it is not intended. If the second part of this resolution were so modified and altered so as to be a simple common corollary to the resolution which we passed the other day, I should be perfectly prepared to support it. The resolution we passed a few days ago, to enter into an agreement of commercial reciprocity, and so on, I think that would be a very wise and proper thing, if we recommended our several governments to consider the best mode in which they could without delay carry into effect this agreement of commercial reciprocity. But, to go further, and express general propositions which cannot, so far as we can see, be followed, within any reasonably near period in the future, by any practical results, I think is beyond the function of the Conference, and I think it would be unwise for the Conference to attempt to do so. In the present form of the resolutions, I regret I cannot give them my support, or in any way commit my Colony.

Sir Adolphe Caron—Mr. Chairman—After the very interesting speeches which have been made on this very important question, I feel that it is hardly necessary for me to rise and take up the time of the Conference. However, I do it merely to explain, or to explain away, as I understand them, some of the objections which have struck some of the gentlemen who have spoken with reference to the motion put forward by my colleague and friend, the Minister of Finance. Now, sir, I can say here, that I, for one, would be the last man before this Conference, on the floor of Parliament, or in any other capacity, who would consent to be a party to any expression of opinion that could be looked upon as dictating to Great Britain, or interfering with the absolute liberty which, I think, not only she is entitled to, but which she succeeds in handling with such good results to the Colonies and to the whole Empire. I would be the very last man to stand up to defend a course which could be looked upon as dictating to Great Britain, much less, as expressed by my honourable friend Mr. Thynne, that could be looked upon in the light of a threat against her. But, sir, I fail to see where the objection comes in, and I fail to see where one can trace any threat in the resolution of my honourable friend Mr. Foster. We have all agreed, and there is no dissenting voice, upon the basis of the motion. My hon. friend Mr. Foster has expressed what we all feel, that the stability and progress of the British Empire can be best assured by drawing con-

tinually closer the bonds that unite the Colonies with the mother country, and by the continuous growth of the practical sympathy and co-operation. To that portion of the motion there is no dissenting voice, we are all agreed. Hence, it is practically wasting the time of the Conference to discuss it further. The second clause of that motion, I think, has been accepted without objection from any honourable gentleman. The last, and the only one which seems to have caused some doubt in the minds of some of the honourable gentlemen who have taken part in this discussion, is the last portion. To that one, and to that alone, I shall address myself, and I say, in reading it as attentively as it is possible for me to read it, I fail again to find that in that clause there is the least attempt at dictation, or the least symptom of a threat against Great Britain. Is it not the theory upon which the great self-governing Colonies of the Empire all through our history—is it not, I say, the theory upon which we have been acting, that we wish, as much as possible, to be considered as the children of the great Empire, and is it unnatural for us, as such, to believe that some discrimination should be made, or can be made, in favour of those Colonies? We are contributing within our powers all we can possibly contribute towards the support of the Empire; for instance, the Colony which I have the honour to represent here, has put its hand in its pocket; we have undertaken to build up great and important public works, certainly in the interests of our Colony, but we had also in our mind's eye the great and powerful influence which such works would have upon the Empire as a whole; and, I think it will be admitted, that when we built the Canadian Pacific Railway we were contributing largely towards the strength of the Empire to which we are so proud to belong. Before submitting anything to the consideration of the Conference, my honourable friend immediately begins by leaving everything in *statu quo* until the mother country has an opportunity of expressing her views, and of saying whether or not she considers it should be done. I say also, that I do not see how voting in favour of this resolution can compromise or commit any of the Governments or Colonies represented to-day around this board, because it is mentioned here. If it had been left out I could understand a strong discussion taking place, that before anything would be carried out, the Colonies would have a right to express their view, and to accept or reject it. Consequently, if it be so, that the motion, or the views embodied in the motion, of my honourable friend cannot be applied without the concurrence of the several Colonies, it makes it so absolutely safe that I do not see how any gentleman can, by voting, commit his government. Moreover, I am voicing, not only my own opinion, but I think that of my colleagues, when I say that this motion, however worded it is now, is open to any change that might be suggested by honourable gentlemen, provided of course the nature of the motion is not completely destroyed. I do not suppose that my honourable friend is wedded to the verbiage of this motion, and if there is anything that the honourable gentlemen consider necessary to suggest, I have no manner of doubt that, sitting around this board, all anxious to do everything we can to improve, if possible, the excellent relations which exist between the Colonies and the mother country, it ought to be easy for us to arrive at a conclusion that will be satisfactory to the members of the Conference, and that will be fraught with good results to the Colonies and to the Empire.

Hon. Mr. Hofmeyr.—I regret that, through ill-health, I have been unable to be here during the eight days you have been in session. I regret, moreover, that previous to appearing this afternoon, I was utterly unacquainted with the course of procedure, or the matter under consideration. I regret it all the more, because the language in which I have to address you, is not that which I am in the habit of using in my ordinary domestic intercourse, so that in this respect I labour under disadvantage as compared with the other members of the Conference. I can say this, that the motion now under discussion, regarded in the abstract, has my thorough and complete sympathy, but yet, in its practical application, I am afraid there are difficulties which will preclude me from voting in favour of it. The motion, as it stand there, means this, that the Colonies, one and all, are prepared, at once, to enter into a Customs Union, or something very analogous to it, with one another, to the exclusion of all foreign territory. I believe that the inhabitants of the Cape Colony are not able to do it. The Cape Colony is so bound up with the South African Customs Union, which has at least one outside member, that this matter would require very serious consideration. The one outside member I refer to is the Orange Free State, and in South Africa, we are most anxious, not only the Dutch party, but I may say the British, or Imperial, or English party, not only to retain the Free State but also to get another foreign State (the S. A. Republic) to join that Customs Union also. If we were to vote for this resolution I would practically vote in favour of the expulsion of the Orange Free State from our Customs Union. I know that a step of this nature would be most unpopular in South Africa, it would not be indorsed by the Cape

Government, nor by the Cape Parliament or people. Therefore, for this reason, I am not prepared to vote for it. I think it is highly necessary for the stability of the Empire, I can almost say for its existence, that a closer connexion should be established, from a customs tariff point of view, between the United Kingdom and the different parts of the British Empire. I believe that the need of such closer connexion is felt in various parts of the British Empire. I believe if the United Kingdom itself does not, within a limited number of years, come forward and say: "We are prepared to "enter into such closer connexion with our Colonies; we are prepared to take goods "from our own Colonies under more favourable terms than from foreign countries," you will find the Colonies will, for the sake of material benefits, turn to France, and the United States, and other Powers, to obtain advantages of trade which they cannot get within the British Empire. I spoke at great length on this subject at the Colonial Conference, in London, in 1887, and I think my views are pretty well known in Canada. I believe in going a little further—that something more should be done for the defences of the Empire by the various Colonies. But how about the sinews of war? I am afraid if you are going to depend on subsidies, the sinews of war will not be provided by the Colonies to such an extent as is necessary. You will have to depend upon a tax to be borne by the whole Empire. And what tax would be popular? None, except such as conveyed to the minds of the Colonies and of the Empire, the impression that while they are paying the tax, they are at the same time benefitting themselves in the markets of the Empire. Therefore it was that in London, in 1887, I proposed that over and above the various customs tariffs of the various Colonies of the British Empire, there should be an additional tax levied on foreign importations from abroad, and that the proceeds of such a tax should be used for Imperial defence purposes. On the matter of cable communication I am a day late. I find that our cable communications, regarded from the defence point of view, are utterly ridiculous and absurd. If a naval war were to break out to-morrow with some Power like France, or with almost any European naval Power, the Cape Colony, for instance, would at once find itself cut off from all cable communication with the rest of the British Empire. British fleets returning from the East touching at the Cape of Good Hope at Table Bay for information as to what had occurred abroad, in the course of the war, would get no information whatever, because it so happens, that although we have cable communication with Europe both by the east and west coasts, each of these cables is a shallow water cable, and touches the territories of European powers at half a dozen places, and it stands to reason that such cables would be cut and broken or blocked at the outbreak of a war. Even if they were not taken up or cut, the European powers at war with Britain would not be so kind as to pass intelligence to the British admirals and generals abroad. So much for the Cape. And Australia is similarly situated. If a war were to break out to-morrow, their cable communication as it is at present would be cut off at once. To a great extent their cable communication with Europe is a very shallow water one, and touching the territories of the various European Powers at several points. Of course the Conference has to some extent dealt with this Australian difficulty by passing a resolution in favour of the deep sea Pacific cable, a resolution for which I certainly would have voted if I had been present. What we at the Cape require, what the Empire requires, is a deep sea cable taking in Ascension, St. Helena, and the Mauritius. Such a deep sea cable would probably not be a paying cable from a commercial point of view. There would be a shortfall on working such a cable, and that shortfall would have to be made good. My idea was that such a shortfall could be made good, as I proposed in London, out of a tax on foreign goods imported into the Empire from abroad. Taking all these points into consideration, I am most strongly in favour of discriminating against foreign importations; but, Mr. Chairman, at the same time, I am afraid that the matter is not one that can be carried into immediate effect. I believe, and I am sorry to believe—if my belief is groundless, Lord Jersey will correct me—that Her Majesty's Government and Her Majesty's Parliament are not prepared to favourably entertain a differential tariff in favour of the Colonies. Well, Mr. Chairman, I have been going somewhat beyond the immediate resolution before you. I was not here at the opening, and probably I have repeated what has been said before. If I have done so, I crave your pardon. I cannot vote for the resolution as it stands, but I do not care to vote against the resolution as it stands. Therefore, I intend taking refuge in an amendment—an amendment which, if it serves no other purpose, will salve my own conscience. My amendment reads thus:—

That this Conference, in view of the resolution on commercial reciprocity unanimously adopted on the 30th June, deems it desirable for the present to leave the practical initiation of reciprocal customs arrangements to separate agreements between the Colonies and Great Britain, or between any of them.

If Mr. Foster presses his resolution as put before the Conference, I think it will not be carried by a strong majority. The unanimity with which the resolution of the 30th of June was carried would be broken, and it would not carry conviction to the mind of the outside world as to the unanimity of the Colonies on this point. I, therefore, deem it expedient that we should be satisfied with half a loaf, and that this amendment should be accepted instead of the motion as it stands.

Sir Henry de Villiers seconded the resolution.

Hon. Mr. Foster.—Before it comes to a vote, I am going to propose some alterations in my motion.

The President.—There is now before the Chair the original motion and Mr. Hofmeyr's amendment.

Hon. Mr. Fitzgerald.—The members of the Conference are anxious to hear how Mr. Foster regards this amendment.

Hon. Mr. Foster.—I propose, if the Conference will allow me, to say a few words at the close of the debate, as I suppose the mover of the motion has a right to meet some of the objections, which, I think, can be removed. In the meantime, I would like to say that I will make some verbal alterations in my motion. In the second resolution, one of my friends here has said that he finds it difficult to think that it is a practical possibility. Maybe I am asking the Conference to go too far if they are asked to affirm their belief in the practical possibility. I do not want to burden the motion, so I propose to strike out after the words "advisability" the words "and practical possibility," thus making it read that this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries. That is quite strong enough, and it will take away the one objection of Mr. Thynne. Then, in the second paragraph, the criticism of Lord Jersey is perfectly apt. I stated in my address I took it for granted they would give us the power we ask, and it would be well not to put that in. I ask Lord Jersey how it would do to put in after the word "view" or "with the concurrence of the British Government," &c.

Sir Henry Wrixon.—"Or when empowered so to do."

Hon. Mr. Foster.—That may be better. After the word "view" insert the words "when empowered so to do." That takes away the objection, that we are anticipating power which had been granted to us. Mr. Fitzgerald objects to the words in the first part of the second resolution, "that pending the assent of the mother country to such an arrangement in which she shall be included," and thinks it is advisable to strike that out. My idea is this: We, in Canada, have not the least doubt—we have grown up with the idea—that Great Britain will consent, and I am rather surprised that it is not the opinion all round. I believe there are practical difficulties in the way, and it was to cover that that we should not wait and do nothing until Great Britain came to that frame of mind that she should allow us some advantage—but that until she can see her way to do so, we would go on and do something that was practically possible amongst ourselves. I cannot see that this is really objectionable.

Hon. Mr. Fitzgerald.—If the words "when empowered so to do" are inserted, surely they render the other words unnecessary, because "when empowered so to do" involves the fact that England has consented to give you what is required.

Hon. Mr. Foster.—"Pending the assent of the mother country"—the assent of the mother country is the assent to enter into a customs arrangement with all the other Colonies on mutually favourable terms. It does not refer to the other point of the power we ask her to give us.

Hon. Mr. Fitzgerald.—"Pending the assent of the mother country,"—I did not understand what Mr. Foster's intention was. Others may put the same interpretation on the words which I have put on them. What is the objection to the words being left out? If England did not come in, it will then be quite possible for the Conference to go on this basis.

Hon. Mr. Sutton.—There are two distinct stipulations. I would like to see these words excised. I do not see the necessity for them at all.

Hon. Mr. Fraser.—We have come up all the way from Australia to meet Canada with a view of increasing our trade with Canada. The mother country has not only assented to our mission, but has sent a representative to assist us in all our deliberations, and I do not see the necessity for toning down the words.

Hon. Mr. Foster.—I want to explain to Mr. Fitzgerald why I think these words are necessary. There are two propositions: one is that we shall have a large customs union taking in the Empire, and the other is, if we can not get that, until we can get it, we content ourselves with a smaller one, if possible. If you do not put the words in, you lose the sequence between the two ideas. If the Conference thinks that the sequence would not be lost and that it would be equally explicit without them, I would be glad to assent to Mr. Fitzgerald's views.

Hon. Mr. Fitzgerald.—How would it do to say: "If the Government of Great Britain declined to be included in such arrangement, it was desirable, &c."?

Hon. Mr. Foster.—I attach a good deal of importance to the idea in the first resolution.

Hon. Mr. Forrest.—Might I ask Mr. Foster a question? I will just read the resolution that we arrived at the first day:

That provision should be made by Imperial legislation, enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including power of making differential tariffs with Great Britain or with one another.

The question I would like to ask is this—How much further does this go than that resolution?

Hon. Mr. Foster.—To my mind, it goes just the essential step further. That resolution asks that we shall have power, and this resolution affirms that we ought to exercise that power when we get it. It just goes that step further.

Hon. Mr. Thynne.—There are two resolutions and two preambles, and the first resolution goes beyond that. It seems to me that this resolution goes beyond and opens up the wider question.

Hon. Mr. Forrest.—I would like to make a further remark with regard to the opening remarks of Mr. Foster. I must say that with most of them I have great sympathy—speaking for myself personally—particularly with respect to what he said about the possibility of the development of the Empire. This development is coming as certain as I am here to-day, and I think, in the future, the Colonies of Great Britain, the Colony of Canada, the Cape, Australia and other British possessions will be capable of producing as much raw material and consuming just as much from England of her manufactures as the whole world is taking from her to-day. But that day is not now, and in the meantime we have got to be very careful and take no steps that will interfere with England's trade. Now, if I might be allowed to say so, we are reasoning from the wrong premises. We are reasoning from the idea that England is losing her foreign trade. There is no statistical information to bear out that statement in any shape or form. During the last decade, England's foreign trade as compared with the trade of the world has not decreased.

Sir Charles Mills.—Yes, it has.

Hon. Mr. Forrest.—I say no. We are also arguing from the premises that the trade of England with her Colonies has increased proportionately much faster than her foreign trade. This is not the case. During the last decade, the relative proportion of the trade as between England and her Colonies and between England and foreign countries has not increased. That is to say, that the proportion of increase of trade with the Colonies has not been so great as the proportions of increase with the other parts of the world. We had better make ourselves sure of the facts before we build up arguments.

The President.—Is the Conference ready for the question?

Hon. Mr. Fitzgerald.—Might I suggest another slight amendment which will tend to improve the motion. That after the word "products" there should be the words "in whole or in part."

Mr. Lee Smith.—How does it read now?

Hon. Mr. Foster.—It reads now as follows:

Whereas: The stability and progress of the British Empire can be best assured by drawing continually closer the bands which unite the Colonies with the mother country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare; and

Whereas: This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products;

Therefore resolved: That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries;

And further resolved: That, until the mother country can see her way to enter into such an arrangement, it is desirable that, when empowered so to do, the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries.

Sir Henry de Villiers.—The position of the mover of the amendment and myself is this: We do not like to sound a note of discord and, therefore, in case the amendment proposed by Mr. Foster meets the approval of all the other members of the Conference, I understand, in that case, Mr. Hofmeyr will not put his motion but will withdraw it, and then we shall have to decline from voting altogether for this reason: That we have in Cape Colony a customs union with the Orange Free State, and we hope to enter into one with the South African Republic, and we should be afraid of compromising ourselves in any way with regard to that customs union. The position is this: in case the other members of the Conference are agreed to the resolution, Mr. Hofmeyr will withdraw his amendment and the Cape delegates will not vote on the resolution.

Mr. Hofmeyr.—The words in Mr. Foster's resolution strictly limiting the proposed different trade arrangements to the British Empire puts the South African Customs Union out of court.

Sir Henry de Villiers.—If there is no unanimity amongst the other members of the Conference, then we can press our amendment.

The President.—Do not these words apply exclusively to Great Britain, and not to the Empire?

Mr. Hofmeyr.—The position I take is this: If anything of a practical nature is to come out of this resolution as it stands, negotiations would have to take place between the various Colonies. Then it would be for the Cape to inquire whether we should adhere to our own South African customs union or go in for this closer union with the rest of the Empire. Now if I, as a practical politician at the Cape, were to vote for the resolution as it stands here, "that this Conference records its belief in the advisability "of a customs arrangement between Great Britain and her Colonies by which trade "between the Empire and her Colonies may be placed on a more favourable footing "than that which is carried on with foreign countries," I would practically vote for the exclusion of the Orange Free State from the South African Customs Union. I cannot do that. It would be committing political suicide, and I do not see my way clear to voting for a resolution containing these words. I cannot see any other way out of the difficulty. If the rest of the Colonies agree among themselves with the resolution I would not put my amendment.

Hon. Mr. Foster.—Just a word or two with reference to this resolution before it comes to a vote. Let me now read the resolution. I will not read the preamble because it is unnecessary. The first resolution will read:—

"That this Conference records its belief in the advisability of a customs arrangement between Great Britain and her Colonies by which trade between the Empire may be placed on a more favourable footing than that which is carried on with foreign countries.

"And further resolved; That until the mother country can see her way to enter into such an arrangement, it is desirable that, when empowered so to do, the Colonies of Great Britain, or such of them as may be disposed to accede to this view, take steps to place each other's products, in whole or in part, on a more favoured customs basis than is accorded to the like products of foreign countries."

Now I, in the first place, want to say this: That I argued from certain data in drawing up this resolution. I found that, in the first place, the representatives of the Australasian Colonies, had raised their voices on high, as my friend put it, to obtain from Great Britain a certain power—to do what? A power to make favourable arrangements amongst themselves in Australasia, which carries, of course, the idea of preferential treatment. That I supposed was an issue which had been practically settled. Then I found the Australasian delegates at this Conference moving themselves, and getting a resolution passed, with which we of course agreed, that Great Britain should take away one other disability which already existed with reference to themselves and would grant them the power to enter into preferential arrangements with other Colonies than those of Australasia, to wit: with Canada or with the Cape. Arguing upon these two data, I came to the conclusion that there would not be, and could not be, the least opposition to the second resolution, which to my mind is just an essential step further, and says: Now, as we have asked these powers, and have got them in part, and wish to get them in whole, until we do get them, we do not propose to lie still and do nothing, but we will go that further step to which these other resolutions led up and we will, if we possibly can, put the products of each other, some of them or all of them, as it appears

best to us, upon a favoured or preferential basis. The sequence is so logical and so necessary, that it never once entered into my mind that any person could raise the least objection to them. As to the wording, I tried to draw that resolution as carefully as possible. It was a little misapprehended, and with the necessary changes suggested by Lord Jersey, I think that it should be satisfactory to any member. How can we disagree? Now I also reasoned by analogy on the first one. I said to myself: "In "Canada we have discussed that whole question. We have threshed it out, and we "are firm in the belief, if Great Britain could be induced to do this, if she could see "her way clear to do it, it would be of great benefit to Canada," and we have offered our opinion in that respect to Great Britain. What she may do with it, I know not, but I had not the least idea that anyone would raise the objection that it would be unwise for us to express the opinion as to the advisability of such a wide, beneficial customs arrangement, on the plea that Great Britain might not take it well, as it would be interfering somewhat with her commerce, maybe largely with her commerce. Then we voted unanimously in this Conference to ask Great Britain to tear in pieces the treaties of 1862 and 1865, that the favoured-nation clauses would be an impediment towards making any such customs arrangement, and it was for us to get rid of the disabilities. Did it not involve the changes in her trade which some of the English statesmen have said would be almost a crash, a revolution? but we did not think we were debarred from offering our opinion on this matter: What more are we doing here? Offering an opinion as an expression of belief that it would be advisable if a customs union could be brought about. Therefore, to reason strictly upon lines that have been laid down at the outset, at this Conference, I did not look for the least opposition on these grounds. I thought I was building up a superstructure, if we proposed to be consistent with what we have done, and to do a little more than merely pass resolutions. I recognize the disability of my friend from the Cape. He is a practical politician and circumstances there are of a certain kind, and the avowal that he has made that such is the position at the Cape, that, even if Great Britain were to offer to come in on more favoured footing, that their Colony would not be able to enter into that contract.

Hon. Mr. Hofmeyr.—So long as the customs duty is on its present basis. Of course, we will consider the new position of affairs when they arise.

Hon. Mr. Foster.—You would only have to consider the new position, as far as my first resolution is concerned, when that contingency arises. Is it possible that the Cape, a British Colony, does think that a customs union with some other countries in Africa is more than a compensation sufficient to keep it out of the Empire, if such a contingency should be brought about? The difficulty, I think, is not so strong as it might be, and I put this to the delegates from the Cape—I ask them whether or not they are putting themselves in any false position at all by assenting to this proposition. Suppose that Great Britain to-day should come and say: "I will make such an arrangement with every part of the Empire and we will have trade within the Empire." Cape Colony would agree to it, or if not, it would have to be an immense compensatory advantage to keep her out of such a broad trade relation. Well, now, this difficulty will not occur, Mr. Hofmeyr, until Great Britain does assent to it, so the difficulty, even if you voted for it, would be no greater than if you did not vote for it. However, I will leave that entirely with my friends from the Cape. They have stated their position frankly, and I wanted to see how it was. Now for my good friend Mr. Suttor. I just address to him the arguments I have to the others: How far do you bind yourself or your government? The terms of this resolution were drawn up, purposely, so widely and in such an elastic way that, if you made an arrangement with Canada on one single product for another single product, it would meet the condition. More than that, if your government is not disposed to that view, it is not bound by this at all, because the resolution does not bind anybody who is not disposed to be bound by it. I tell you what I do think it is well we should do. What are we here for? Where are we from? Gentlemen, you have come from the distant parts of the earth at great expense, taking up our time with the eyes of the world upon us; we are here, for what purpose? To get cable communication. On what basis?—an extension of trade, and you would not get the sympathy of a single Canadian unless you should join in extension of trade, with the other conditions. What are you here for? To go back to your governments and be just as you were before? Are we not here because we want to make arrangements one with the other? and it seems to me that every resolution that we pass at this table if it is to be of any consequence at all, must be followed by practical action. This is the second step of practical action. Granted we come together, granted we

ask for power, granted we get the power, are we disposed to say before we leave: We will wait until we get these powers, or will we at once enter into negotiations, in order to be practical on this point? "If our governments are disposed to do so," that is as far as we bind them. I would be sorry to see this Conference break up and resolutions reached, just as they are to-day, without getting some practical profit by having trade relations with each other extended for the good of each other. That is as near as I can go, and as far as I can go. Much has been stated about the reference in the first part of the resolution as regards Great Britain. I want to say this one thing on that very question of wheat: There is a broad debatable point. How many years will it be, sir, before the United States will cease to send a single bushel of wheat to Great Britain? Not long. The available arable lands of the United States have been taken up. The productiveness of her wide acres is diminishing year by year. The amount of her land which is now going out of wheat cultivation is great, and the fact that the people are becoming wealthier is having its effect. The lands are being taken up in parks and grazing grounds and her population is increasing at the rate of 2,000,000 of people a year. It takes a good many bushels of wheat to be mashed into food for sixty-two millions of people. Sir, the time is coming when Great Britain will look to her Colonies almost entirely for her food supply. Go down to Montreal to-day and ask the price of a loaf of bread. Get the price and put it in your note-book. Go back six years and ask the price of a loaf of bread. Put that in your note-book. Get the price of the flour then and the price of the flour to-day. You will find that the price of wheat to-day is exactly half what it was then and yet the artizan pays the same for his loaf that he did six years ago. Take the course of French history, where they have placed increased duties on wheat and breadstuffs year by year. Take statistics and read them as to the price of wheat and flour and the duties placed upon them. Ask whether or not the price of the loaf has risen in connection with it and then come back to whether or not it is not possible that Great Britain might put a slight discriminatory duty upon wheat and her artizan and her labourer pay not a single cent more for his loaf than he does to-day. Sir, suppose he did. There is something higher than that. It is all very well that a man should have a loaf at one-tenth of a penny less, but it is a deal better that he should have the wages to buy that loaf. Sir, the amount of competition taking place in England to-day is narrowing the scope of the wage earners, and this is shown clearly by a review of her industrial situation. I just simply want to point out this, that we do not ask Great Britain to make a revolution. We do not give it as our opinion that she ought to. There are two or three things in which she can materially aid the Colonies, in the long run, to her own interests; even the slightest action would give new life to the production of grain in the colonies, and more than that, make a thrill go through every part of the Colonial Empire, that Great Britain, at least, has recognised that her Colonies were to be treated a little better than other countries. One point more, and that is this: that the British Empire must stand or fall together. It must stand or fall together, and in twenty years' time the larger part of Britain will be outside of Great Britain. You may say: Wait till that time comes. I believe in the fertilising power of ideas, and I would like this idea sent out by this Conference, that it is the thought of the Colonial Empire that some such relations shall take place, as near as it possibly can, by which the solidity, coherence, and development of the outlying parts of the Empire would be assisted. Let it lie and fertilise, though it does not bring forward an immediate result. Nothing has ever yet been accomplished until ideas have been sown and taken time to germinate. If that goes from the Conference, what good may it not do?

Hon. Mr. Hofmeyr.—Suppose that, as a result of this resolution being carried, we should learn in a few months' time, against even the most sanguine expectation of the most sanguine of us, that the United Kingdom is prepared to go into a customs arrangement of the kind sketched in this resolution, then what Cape Colony would have to do is this, she would have to call a meeting of the various members of the South African Customs Union. She would put these points to the delegates of the Free State. She would say: "Here is the British Empire prepared to admit all our "goods from Cape Colony and South Africa at more advantageous terms than from the "rest of the world: would you, the Free State, be prepared to throw in your lot with us "and become, from a fiscal point of view, part and parcel of the British Empire? Would "you be prepared to admit the goods of the British Empire at more advantageous terms "than goods from the rest of the world if the Free State got their goods into the United "Kingdom on similar terms?" It is quite possible the Free State would say: "Certainly we will do that." Or they may express a contrary resolve. The action of

the Cape would greatly depend on that resolve. I should like Cape Colony to be left at liberty to negotiate with the Orange Free State, either to bring her into the Imperial Customs Union or to remain outside with her, if necessary. At present I am not authorized to vote for a resolution practically including our S.A. Customs Union. Notwithstanding Mr. Foster's eloquence, I cannot change my position.

Mr. Lee Smith.—Mr. Foster said that, to be consistent, we ought to pass this resolution simply because we passed a resolution yesterday asserting "That this "Conference is of opinion that any provisions in existing treaties between Great Britain "and any foreign power which prevent the self-governing dependencies of the Empire "from entering into agreements of commercial reciprocity with each other or with Great "Britain should be removed." Now, I hold that our voting against this resolution does not show that we are denying the proposition of the other day. Mr. Foster has asked us to go into quite a different question. I affirm that the mere proposition that we proceed to carry out this mere mutual customs basis would be of more importance than this resolution. I can vote for it as amended.

Hon. Mr. Thynne.— I cannot give my hearty support to the motion. I think we should let it stand until to-morrow morning.

Hon. Mr. Foster.—There is no objection to holding it over until to-morrow morning.

The debate on the motion was adjourned and the Conference adjourned.

Office of the Minister of Trade and Commerce, Ottawa,
July 6, 1894.

The Conference resumed at 10 a.m. Hon. Mackenzie Bowell, President, in the chair.

Delegates Present:

The Imperial Government.—The Right Hon. the Earl of Jersey, P.C., G.C.M.G.
Canada.—Hon. Mackenzie Bowell, P.C.
Hon. Sir Adolphe Caron, P.C., K.C.M.G.
Hon. George E. Foster, P.C., LL.D.
Sandford Fleming, Esq., C.M.G.
Tasmania.—Hon. Nicholas Fitzgerald.
New South Wales.—Hon. F. B. Suttor, M.L.A.
Cape of Good Hope.—Sir Henry de Villiers, K.C.M.G.
Sir Charles Mills, K.C.M.G., C.B.
Hon. Jan Hendrick Hofmeyr.
South Australia.—Hon. Thomas Playford.
New Zealand.—Alfred Lee Smith, Esq.
Victoria.—Sir Henry Wrixon, K.C.M.G., Q.C.
Hon. Nicholas Fitzgerald, M.L.C.
Hon. Simon Fraser, M.L.C.
Queensland.—Hon. A. J. Thynne, M.L.C.
Hon. William Forrest, M.L.C.

TRADE WITHIN THE EMPIRE.

Hon. Mr. Foster.—In relation to this motion, the Conference heard yesterday the statement made by Mr. Hofmeyr, and the position of the Cape Colony delegates. Mr. Hofmeyr has had a conversation with me this morning, and has made a suggestion to which, for my own part, I do not see any great objection if it does not destroy the continuity and force of the resolution, and I do not think, upon first blush, that it does. I will mention it to the Conference, and if the Conference agrees to it, I shall be only too happy to meet the Cape delegates in that respect. I am assured that some of them, at least, have very strong sympathy with the principle of the motion which I have introduced, and are very sorry to decline to vote, or to vote against it; but at the same time they are confronted with peculiar circumstances in their own country, and which we, as a conference, must be sympathetic with. The proposition is simply this, that we shall add the South African Customs Union, of which I believe the British Colony forms by far the most important part—nineteen-twentieths, I am told;

that if this motion be carried, as I hope it will be, we shall add at the end of this motion, for the purposes of this resolution, that the South African Customs Union be considered as a part of the British Empire; or, if we cannot say "of the British Empire," that it be considered as part of the territory to be included within the scope of the resolution, which would be better, because it would scarcely be fair to say it was part; that for the purposes of the above resolution the South African Customs Union be considered as territory to be brought within the scope of the resolution.

Sir CHARLES MILLS.—Capable of being brought within the scope of the above resolution?

Hon. Mr. FOSTER.—Yes, that would be perfectly satisfactory; I am sure that, so far as Canada is concerned, if we could make an arrangement in any certain articles with the Cape, we would have no objection. I would like to have Lord Jersey's opinion on this. Then, one of the delegates, in speaking with me, finds still a difficulty in voting for this; and the ground of his difficulty is this, in brief: For instance, I will make it personal to Canada, and put myself in his position. Canada is a protective country. We believe, rightly or wrongly—and we have acted on that belief—that to develop our own industries in the peculiar circumstances in which we were, we had to have something more than revenue duties. We have developed these industries; we would not care to see these industries destroyed now. There are certain of them which, even if Great Britain were to assent to this, and make an arrangement, we would not wish to imperil. All this resolution binds us to do is to put the goods of Great Britain, in whole or in part,—whatever may be negotiated and come within the scope of this arrangement, if it is finally completed—on a more favoured basis than we put the goods of a like kind from a foreign country. So that it would not necessitate the destruction of cherished and very vital interests in the Colonies, but it would give them this chance. Put whatever reasonable protective duties you may impose, goods will come in from foreign countries; and if you give Great Britain, with reference to these manufactured articles, a better position than the foreign makers, you would give her a decided advantage, and that brings you within the scope of this resolution. Therefore, I do not see how I, as a protectionist, and coming from Canada, could object to this resolution on that, ground for fear that, by its being carried out, we will be obliged to destroy great and vital industries. We would simply be obliged, in the spirit of the resolution, to give the British manufacturer a better position in competition in our market than foreign nations; and I present that view of it with all earnestness to any delegates who may have looked upon that as a bar, and ask them to think it over before deciding. More and more as I think of this, I am convinced we ought to pass it; and I am convinced that no harm, but a great deal of good, would come from it. Since our meeting yesterday, I have read the utterances of very influential newspapers in Great Britain; I have read the statement made by the Premier of your Cape, Mr. Rhodes. I have read the comments in the British papers upon that; and you may depend upon it, that, in the British Empire to-day, the seed has more than sprouted; it is germinating, the idea is growing, and it is going, ultimately, to bring the different parts of the Empire together in some way, in spite of all the doctrinaires that live and breathe on the face of this earth. The Empire is not about to go to pieces; and there is a spirit which is willing to make sacrifice, of even long cherished ideas, in order to cement the Empire, and keep it together; and it is an enlightened and civilized selfishness that will bring us to it, if nothing else does.

Lord JERSEY.—Mr. Foster has asked me if I could give my approval, on behalf of the British Government, to those resolutions. I am afraid I must answer him that it is not possible to do that, because, were I to express approval of these resolutions, I should be to that extent stating that Her Majesty's Government would approve of them, and I cannot do that.

Hon. Mr. FOSTER.—The question loses some of its force when we decide not to say that the South African Colonies should be considered a part of the British Empire. We have said that it should be considered as territory to be included. I have my doubt as to the propriety of saying it should be part of the British Empire.

Lord JERSEY.—As I explained yesterday, I could not do that; but there will be no harm in the words that the South African Customs Union is to be considered as within the purview of this resolution. It is a difficult question to answer, because the Orange Free State forms no part of the British Empire, though, for purposes of its own, it has entered into an agreement with the Cape Colony. It is a diplomatic question, which I do not think I can answer.

Mr. Lee Smith.—I promised yesterday to vote for these resolutions, but, after consideration, before carrying out that promise, I should like to ask you with regard to the first one, whether you mean by that resolution, that you would expect Great Britain to give an advantage by imposing duties on the products sent from other countries in favour of us; because, if that is so, I could not vote for it. I am prepared to vote in this direction, that the Colonies may give as much away as they like to Great Britain, but I should not like to agree to vote for any resolution which would imply that Great Britain, in response to that, would place duties on the products of other nations. I think this is complicating the question. I should like to see all the Colonies place the goods of Great Britain on a better footing than the goods of other nations, and I should like to see a concession made between the Colonies themselves; but I should not like to commit this Conference to the proposition that Great Britain, in response, as a matter of reciprocity to us, should place other nations at a disadvantage by doing what they would have to do to benefit us, viz., to place duties on goods of other nations. I do not think it is possible to do that; I do not think the British Government would listen to it for a moment. It is quite unthinkable, and in the long run would hurt us.

Hon. Mr. Foster.—We must be perfectly frank, and as the question was a frank one, I shall be frank in answering it. Great Britain is to be the arbiter in that matter; she has to look to her own interests, and if she does not see fit to enter into this arrangement she need not. There is no harm in a son going to a father, and asking for a friendly arrangement, which he thinks would be of advantage to him, and the son as well. There is no way by which Great Britain could give the *quid pro quo* on the list of articles which she has already dutiable; and it would resolve itself into this, that Great Britain could, as the proposition states, treat our commerce more favourably, in whatever particular she liked, against foreign countries. and that could only be done by placing duties on goods of foreign countries. With regard to the other generous and good sentiment of Mr. Lee Smith, whereby he is quite willing the Colonies shall give everything to Great Britain, and Great Britain give none in return, I say, as far as I am concerned,—and I think as far as Canada is concerned,—the day will be considerably distant when we will propose, if it is not to our advantage somewhat, to give very great commercial advantages to the British Empire without receiving something in return. Commerce is inexorable, sentiment is free; and, when it comes down to a point of arrangement between those that have the entire power of their fiscal arrangements between themselves by the constitution and the law, it will proceed on to a commercial basis, and a fair consideration, and a fair distribution will be asked for.

Mr. Lee Smith.—It would be easy to show how we should get an advantage by that.

Hon. Mr. Foster.—If we did, we would have the compensation we agreed to.

Mr. Lee Smith.—We should get a larger exporting power by giving Great Britain that differential tariff, but it is impossible to ask Great Britain to give us something like that.

Lord Jersey.—I will enlarge my answer to Mr. Foster, and say that it strikes me that if the Orange Free State, being a distinct nation, were included, it might, and would be, argued that the most-favoured nation clause would have to come in.

Hon. Mr. Fitzgerald.—Certainly France and Belgium would have something to say.

Hon. Mr. Foster.—It might be; but we have asked that those disabilities be removed; this could not take place until they were removed. The disability must be removed before we can enter into the arrangement contemplated by the first resolution between Great Britain and her Colonies.

Hon. Mr. Suttor.—It seems there is a great deal of force in the objection raised by Lord Jersey to including the Orange Free State. We shall get into trouble, if we allow any one foreign territory to be placed in the same position as the Colonies. With regard to the proposition submitted by Mr. Foster, I think the objection is this: We ask England to be good enough to assist the trade between the Colonies and England, to enlarge and increase the trade between the Colonies and the mother country, by putting duty on foreign goods. For the sake of argument, we will say that England proposes to put a duty of 10 per cent. on foreign goods received into England, and allows the Colonial goods to go in as at present, under no duty at all. The position would surely be this: England would say to her Colonies:—"We have "now handicapped the foreign trade in favour of you, to the extent of 10 per cent.; "we will allow your goods, as we always have done, to come in free: are you prepared "to reciprocate and allow all our goods to come into your territories free?"

Hon. Mr. Foster.—That would be most unfair.

Hon. Mr. Suttor.—Why?

Hon. Mr. Foster.—We have 30 per cent. on woollen goods; if England gives us on equal volumes of trade a differentiation of 5 per cent., is she so unfair that she would ask us to give her a differentiation of 30 or 40 per cent.?

Hon. Mr. Suttor.—But if we are going to enter into such an arrangement as this, that she is going to check the introduction of foreign goods to assist her Colonies, in order to increase the volume of trade between the Colonies and herself, she may fairly ask us to reciprocate and allow her to send her manufactured goods on the same terms that she receives our products. I want to ask my fellow delegates if they are prepared to pledge their Governments to that extent, that in the event of England allowing our goods to go in in that way, and taxing the foreign goods, we are prepared to reciprocate and allow the manufactured goods of England to come into our ports free. I, for one, must say that I am not prepared to do that.

Hon. Mr. Foster.—I must protest that that is not a fair statement of the case. No man carrying on business with a business man would attempt for a moment to do business in that way. When two business men come together to talk about business, they are supposed to ask only fair advantages of either side, and one man does not say to the other "You give me 10*l.* and I will give you 1*l.*" Neither would Britain or other commercial communities make such requests. If Great Britain gives us to-day no advantage over another nation, we give Great Britain no advantage over another; and if Great Britain comes and says "We will give you 5 per cent. over another," will she ask us to give her 35 or 40 per cent. advantage?—That would not be fair; it is not contemplated. We send wheat to Great Britain, and get woollen goods from Great Britain. What is the volume of the wheat trade sent to Great Britain? What is the volume of the woollen trade they send here? If they give us 5 per cent. on the goods we send there, we will give them 5 per cent. on the same volume. That would be fair. But would not it be unfair to say, "We will give you 10 per cent. advantage on a "million bushels of wheat, and we will ask you to give us 35 per cent. advantage on "a million dollars' worth of goods in return." That is not a fair request. It is not a business statement of the case. It is not in the resolution, and it is not fair to the delegates to base an opposition to the resolution on a statement like that. Let us vote on this as it is; but do not let us vote on an unfair statement of the case, and I must contend that is not a fair statement of the case.

Hon. Mr. Forrest.—I think in this particular case that probably Great Britain would say: "Doubtless you have a duty of 35 per cent., but we never admitted that "the duty was a fair thing to start with." And I would ask members of the Conference this question: Where does the fairness or unfairness come in; is it in Great Britain admitting our goods free, or is it in the Australian or Canadian Colonies charging a duty of 35 per cent.? You see, from a free trader's point of view, there is a strong argument on the other side.

Hon. Mr. Foster.—Yes, on the principle.

Hon. Mr. Forrest.—The mother country might also fairly say: "If you, say, on a "30 per cent. duty. will only allow us 5 per cent, what is to prevent you putting "on 60 per cent., and saying we will only give you 5 per cent. on that?" And the principle would apply just as well. I think it is necessary for us to consider the matter, and ascertain where the unfairness is.

Hon. Mr. Fraser.—I can only repeat what Mr. Foster has so very clearly put. We have a duty upon wire in Australia. Now, German wire floods our markets. It is understood by all those who use German wire that it is not equal to the English wire, and yet, on account of the extreme cheapness, it floods our markets. Would it not be perfectly fair—nay more, would it not be even desirable—that the Australian governments would place a duty of, say, one per cent.—it would probably be quite sufficient—to handicap this German trade, and thereby increase the volume of English trade?

Hon. Mr. Suttor.—You would allow the English wire in free?

Hon. Mr. Fraser.—No, allow a duty to be put on both, but the differential duty in favour of the English wire; and of course that would certainly drive the wire trade from Germany to England, and Australia would be benefitted by a similar volume of trade from Australia to England. That is as plain as can be; and it is utterly unfair to expect that we would sweep away the whole tariff because half a century ago we

adopted a protectionist tariff. That would be utterly unfair; England would never dream of such a thing.

Mr. Lee Smith.—In reply to Mr. Suttor, Mr. Foster said it would be manifestly unfair to require from Great Britain a similar return to what we give; is that so?

Hon. Mr. Foster.—No; I said it would be manifestly unfair to require from us a greater return than we received from Great Britain.

Mr. Lee Smith.—Supposing there was a ten per cent. duty, you ought to give them a similar duty. Great Britain imports about 24,000,000*l.* of wheat every year. Now, putting the small duty of a shilling per quarter, which is 5 per cent., upon it would mean a taxation of 1,200,000*l.* a year. How are you to take duties off in retail articles to meet that? It is impossible. The volume of trade is three to one. 75 per cent. of the trade of Great Britain is outside the British Colonies.

Sir Henry Wrixon.—Eighty-five per cent.

Lord Jersey.—British trade with the British possessions is about one quarter of the whole volume, and it is 15 per cent. only with the self-governing Colonies.

Mr. Lee Smith.—Well, it is worse still. If we get 5 per cent., it is manifest Great Britain would be simply taxing her people for our benefit. It is perfectly unfair that you should carry such a system on. Our business is a small one. The only way we can assist Great Britain is by allowing her to get as free access as we can afford to take her products into our Colonies, and thereby help her in the way of cheap duties to buy back from us. We should get British vessels coming from British ports, and thereby assist our people into a large market by lower freights and better exchange rates. You cannot expect Great Britain would be content with a similar reduction of duties, because one is a large volume of business and the other a small one, and the British people would not listen to it for five minutes. The true way is to encourage Britons to sell to us, and then they must, necessarily, by the laws of trade, be in a better position to buy of us.

Hon. Mr. Fitzgerald.—I think Mr. Smith's remarks would be more suitably addressed to the British people and the British Government. I think Mr. Foster laid down the position perfectly fair, that England's statesmen were well able to protect the interests of the United Kingdom, and they will not do anything to injure her people or her trade; and why should we put ourselves in a position of showing how it will affect England. She will not do it if she is not benefitted by it.

Hon. Mr. Thynne.—I think it would be well to define our terms. If 10 per cent. were allowed off some article in Canada, 10 per cent. would have to be put on in Great Britain. I think that must be a mistake. I think Mr. Foster meant that the total value in money of reduction of the receipts of Canada on the particular goods was the amount for which Canada would seek from Great Britain a similar concession; that is, that they would impose such a duty on goods coming in as would amount to a preference, an encouragement to Canadian material, to the extent to which Canada is reducing the duty on the other goods.

Hon. Mr. Foster.—That might be one way.

Hon. Mr. Thynne.—That is the way in which the thing can be worked; but let us look at this: Are we going to recommend and to express ourselves of the opinion, after solemn consideration, that it is advisable for the British people to so interfere with their course of commerce and trade as to put on for Canada a particular duty, and on some article for the Australian Colonies a particular duty on some other articles, and so mix up the general course of trade of their fiscal policy with regard to foreign trade as to put it in the utmost confusion? That would be the result which necessarily would come from tampering with the tariff arrangements from time to time, according to the treaties or arrangements with the different Colonies. I think my friend Mr. Fitzgerald touched a very important note in this discussion; and it seems to me—I say so with respect—that a good many of the delegates here have acted and spoken with the same sentiment which Mr. Fitzgerald has spoken; that is: that England is well able to look after herself; and we can quite trust her statesmen to do the right thing for England at the proper time. We need not take particularly into consideration the point of view in which Great Britain would have to look at these questions. I think that that attitude and that proposition is inconsistent with the resolution, because we are asked here to place upon record our opinion that, from all points of view it is advisable. We say to Great Britain that it is advisable for Great Britain, and I certainly do not wish to be put in that position, which I think is a mistaken idea. We have

expressed here the opinion that it is advisable, and members of the Conference have dealt with the question from a colonial point of view only. That is not, I take it, the position and the attitude which our delegates at this Conference ought to take. If we are going to pass a resolution which is intended to affect the position of Great Britain and her fiscal system, we are in duty bound to take full thought and full consideration of every element affecting the British position, just as well as we are bound to take our own, into consideration. And I do not think we would be justified—in fact we cannot speak on behalf of Great Britain with the same full knowledge, with the same long experience of her particular commercial relations, to the same extent, as the Imperial Government and their official advisers can, through their long training and long experience and long study. I have not the presumption—and I think it would not be wise for any party of Colonies to allow themselves to be exposed to the imputation that we are travelling beyond what is our real function at this Conference, and endeavouring to dictate to the mother country the course of her fiscal policy, which, in the first place, is not likely to come into operation. And, in the next place, we must have some doubts, looking from the point of view of Great Britain, whether it is a desirable movement, in the interests of their particular trade and commerce. On the records, as the resolution stands now, Mr. Foster has been good enough to place on the record of this Conference a practical possibility; but, in asking us to adopt the resolution, he does not meet the objections to the resolution as it was first framed, because when we express our opinion here that we are to do it, that this customs arrangement is advisable, I think the practical impossibility of it as a matter of early future politics, or practical politics, is apparent; and I do not see why, at this Conference, we should be asked to pass resolutions on which we can only, at the best, form a partial opinion, and upon which we are, I think, most of us, of opinion that it is not practicable or possible, within an early date, to have any practical result. I have given this resolution my most careful consideration, and I regret very much that I do not feel myself at liberty, for the reasons I have stated, to give it my support.

The President.—Do you think it inadvisable we should have customs arrangements with Great Britain?

Hon. Mr. Thynne.—What I say is this: We have gone a certain length; we have gone the length of asking the mother country to give us the power to make reciprocal arrangements between ourselves and the mother country, and I think this Conference ought to be content with that, or with a practical resolution bringing that into effect.

Hon. Mr. Foster.—Why did not we ask it for the Colonies only? Is not this playing with the ball?

Hon. Mr. Thynne.—There is no member of the Conference so sincere and earnest about having reciprocal arrangements brought about with the Colonies as I am, and there is nothing in the shape of playing with the ball in my attitude. I am perfectly sincere and in earnest. What I do object to in this resolution is this, that we are going beyond our functions, and, in the first part of the resolution as it stands now, we are asked to dictate or to express an opinion upon the system of Imperial fiscal policy while, if we confine ourselves to an expression of opinion something similar to that policy, or what would be still preferable, adopting the amendments Mr. Hofmeyr moved, we would be doing what was right.

The President.—In my capacity as Chairman I do not wish to be interfering, but I suppose we are all interested in the same thing. The question I wished to ask you was whether you thought it inadvisable to have any such arrangement as that proposed in Mr. Foster's resolution with Great Britain; and I would add this: if it is advisable and advantageous for the Colonies to have intercolonial trade between themselves, whether it be free trade or on the basis of modified tariffs, would it not be equally as advantageous to the Colonies to have a somewhat similar system prevailing with reference to Great Britain? That is what I intended to ask.

Hon. Mr. Thynne.—It may possibly be so, but this first resolution goes beyond that length; it speaks of a customs arrangement, a general proposition, which I am not at liberty to entertain, because I think it goes beyond the functions of this Conference to pass this resolution.

Hon. Mr. Foster.—There are two points I wish to impress upon Mr. Thynne. What was in your mind when you pressed here, and voted for, and raised no objection to, the British Government making arrangements for interfering with existing treaties to the extent to give you and every other Colony the right to make an arrangement for trade reciprocity between ourselves, and between ourselves and Great Britain? What was in

your mind? What did you want the ball for? You asked for it? You prayed for it. You would not rest until you had got this Conference to pray for it and ask for it. They give it to you, we will say, to-morrow; what are you going to do with the ball? I think that, if we want it, we ought to try and kick it through the goal, and show that we did not want it simply to play with. But what logical consistency is there in asking for the power to reciprocate, and then declaring that you do not think you ought to say to Great Britain that it would be well to reciprocate? Let me ask Mr. Thynne what was in his mind when he voted for another proposition. He is now very solicitous as to this Conference interfering with anything Great Britain is interested in. Mr. Thynne and ourselves, all of us, interfered with Imperial concerns, with reference to the cable, to the extent of dictating to Great Britain—he uses the term *dictating*, I say we simply make *our prayer*—that Great Britain shall ask an appropriation for one-third of the cost of surveying and making a cable between two of the Colonies simply. Why was not he solicitous then as to our being very careful about dictating to the British Government in a concern which was entirely for the British Government, and that alone? We are a colonial conference; we are brought here to look after colonial interests first; we are not an Imperial conference; we are here as a colonial conference; we are here to press what we think would be for the colonial advantage, to press it upon the only one that could give it to us; that is Great Britain. Is there anything wrong in us asking Great Britain, if she can see her way clear to do it, what we think would be an advantage to the Colonies, especially when we have preceded that by an earnest request that she shall give us the power to carry out this very thing? There are, then, three points I wish to urge. We are a colonial conference, and are here to urge what we think would be a colonial advantage; and we urge it upon Great Britain, in so far as she can help us to do it, in so far as it is her interest to do it, even so far as her generosity will allow her to do it, for the sake of broader considerations. Now, then, I want to press this point strongly; why in the world should we take off our clothes, put on our bathing suit, get on the beach with the water before us, and then refuse to plunge in?

Hon. Mr. Hofmeyr.—I find that you have passed a resolution to this effect: That provision should be made by Imperial legislation to enable the dependencies of the Empire to enter into agreements of commercial reciprocity, and so on, so that we contemplate the possibility that Great Britain would also come into this reciprocal treaty arrangement. The Conference backed up this resolution on the 4th July with another one: that this Conference is of opinion that any provisions in existing treaties, between Great Britain and any foreign Power, which prevent the self-governing dependencies of the Empire from entering into agreements of commercial reciprocity with each other, or with Great Britain, should be removed. On these two occasions, you did not hesitate to bring Great Britain in. We did not limit the proposals of a reciprocity arrangement to the Colonies alone, but we included the Empire of Great Britain also, and those resolutions were carried without dissent. The question is, are we going to give any practical bearing or effect to the two resolutions which were passed by this Conference? According to the views held by myself, and the government which I represent, and, I think, by the majority of the Cape people, I am quite prepared to follow the resolutions which have been passed by practical steps and practical measures, so far as they can be practical, under the peculiar circumstances in which we, in the Cape, find ourselves. In the resolution put, in its present form, I can find no dictation as regards Great Britain. The resolution expresses its belief in the advisability and practical possibility.

Hon. Mr. Thynne.—That is taken out.

Hon. Mr. Hofmeyr.—Then it becomes even weaker. It is a belief in the advisability of a customs arrangement between Great Britain and the Colonies. I fail to see any dictation towards Her Majesty's Government. I cannot see anything of the kind, and I believe Her Majesty's Government, consisting of able men though they may be, will not be able to find a trace of dictation in those words. Then, "it is further resolved "that until the mother country can see her way to enter into such an arrangement;" surely, should there be a trace of dictation in the former paragraph, it is wiped out in this one. Therefore, if I was inclined to vote against this resolution, I would not do it because I believed there was a lurking dictation in it as regards the United Kingdom. Mr. Chairman, I would be most anxious to vote for this resolution, if a slight amendment can be tacked upon it, meeting the peculiar requirements of South Africa, not only the Cape Colony, but of all other colonial Colonies belonging to Her Majesty's Government, which are united into one customs union. Let me explain that customs

union. The customs union consists of the Cape Colonies, which have tremendously larger interests in the union than all the rest of the states put together, but, besides Cape Colony, we have in it British Basutoland and British Bechuanaland, and the Orange Free State; in addition to that we have the British protectorate, and very soon, I think, we will have in it the British territory that stretches to the Zambesi. Further, in addition to that, there are the small Dutch States; there is the Free State, which has already entered with the British Colonies into the customs union. It is to the interest of the British Colonies, in South Africa especially, that the Free State should be part of it, and it is in the interests of British trade and British connexion that the Free State should form part of the customs union, and also in the interests of their trade and connexions that the Dutch republic should be part of it. If I were to vote for the resolution, exactly as it stands here, I would be pledging myself to this, that we would break up the customs union of the South African States, in so far as the Free State is part of it, and this would be a most unpopular step in the Cape, and prejudicial to South African interests, and I think prejudicial to the interests of the Empire at large. Therefore, I submit, that if the following words could be added to the resolution, "That for the purposes of this resolution the South African Customs "Union be considered as part of the territory capable of being brought within the "scope of the contemplated trade relations," you will not at all destroy the scope of the resolution. Of course, I have heard it suggested that you would be bringing in foreign territory. Well, Mr. Chairman, Her Majesty's Government have assented to the establishment of this customs union, with the Free State in it, and Her Majesty's Government has, on every possible occasion, given an indication of its desire that the South African Republic should also come into the customs union. The British Government not having objected on these occasions, why should we suppose that Her Majesty's Government would object because we pass this resolution? But, suppose it does object, —do we lose anything by it? We will be just where we were. It will be a question whether we should ask the Free State to leave the customs union, and it will be for us to decide whether it will be worth while to enter into a customs union with the British Empire, if the South African Colonies, with whom we have trade relations of the most intimate character, are not also to enter into this customs arrangement. I believe that British interests, and South African interests, will be served if the resolution is carried, and if it can be carried out. If it cannot be carried out, nothing would be lost. If we pass this, we will not pass any customs union, we have no legislative authority over the British Empire, in fact no legislative authority at all. We only express an opinion in regard to the direction of thought in which our minds are moving, and I think that is of great importance. Something practical may grow out of it, but it is not an immediate step, we will be only preparing to take steps. With the consent of my seconder, and the Conference, I should like to withdraw the amendment I put in yesterday, and in its stead, move this as an addendum to the resolution on the table, and I should like you, Mr. Chairman, when putting it to a vote, to put the said resolution as it stands, together with this amendment, and afterwards put the whole together.

Hon. Mr. Foster.—Would it not be better if you should move that that be added to the resolution?

Hon. Mr. Hofmeyr.—That may be done. I wanted to put it in such a way that the ground should be left open for me to vote for the resolution if that is added, or, if not, to refrain from voting altogether. I will now read my resolution:—"That for the "purposes of the resolution, the South African Customs Union be considered as part "of the territory capable of being brought within the scope of the contemplated trade "arrangement."

The President.—If this motion of Mr. Hofmeyr's, which is seconded by Sir Charles Mills, is passed, then I shall put the original resolution as amended; that will include the four paragraphs of Mr. Foster's and the amendment of Mr. Hofmeyr's.

Mr. Hofmeyr's resolution was then put and carried.

Hon. Mr. Forrest.—I think it would be disastrous to the trade of the English Colonies if we did anything, or if England did anything, pressed on by us, that would limit her foreign trade. We are assuming that we can do certain things, take certain action against other countries, and that other countries will not take action against us. We left that out of our calculation altogether. If you hit a man on the nose, is it reasonable to expect that he will do nothing in return?

Hon. Mr. Fraser.—Supposing England were at war to-morrow with some huge foreign Power, and England and the Colonies found that the Colonies largely traded

with that Power, or that England largely traded with that Power, would not the Colonies be most anxious that the trade should cease, and would it not be also to the interests of England and the Colonies that there should be no trade, and that the life-blood of the country should be kept flowing by sucking the trade of the Colonies and Great Britain? Surely that is plain common sense. Therefore, this motion is only in that direction, and I hope that my friend Mr. Thynne, and my friend Mr. Forrest, will not press their objections, and thereby make this motion unanimous.

Hon. Mr. Sutton.—Mr. President, I think there is very great force in the point taken by the Hon. Mr. Playford just now, to the effect that it is very desirable that there should be no serious differences, and that the opinions of this Conference should be unanimous. In order that there should be a compromise, I am quite prepared, as far as I am concerned, to consider this proposal in as favourable a light as possible, and I think perhaps the Hon. Mr. Foster, who has charge of it, with his forcible character, which is so apparent to all of us, does not like to give way; and therefore I would suggest, with a view to coming to a unanimous opinion on the subject, that he should strike out certain words in the first resolution and in the second resolution. If he would agree to that suggestion, I believe the delegates of the other Colonies will agree with me that we are quite prepared to accept it.

Sir Henry Wrixon.—But you would not distinctly leave out the mother country?

Hon. Mr. Foster.—The Conference, I hope, will not think I am obstinate. I am very much impressed with the importance of a deliverance from this Conference as to a wider customs arrangement. We have led up to it, I want the opinion of the Conference upon it, and I do not want to involve, for the sake of that, a negative from any of the Colonies against another proposition which they are inclined to favour; and, therefore, I would suggest this: Let us divide these, and vote upon them in three parts. You will consider the preamble as one, and vote upon that. Upon that I suppose we will all agree. Then we can take the first resolution, and that will be number one. You will vote upon that, and there will be probably some disagreement. We will not all vote together. Then take the third resolution, as another separate one, upon which we can vote, and I suppose we can all vote. I think that lightens the matter. Take, for instance, my friend Mr. Thynne; he does not see his way clear to vote for the larger customs arrangement. It would seem to me that we should get at the end in view, and I must say, because some of us may dissent from it, I am very adverse to withdrawing what I consider so important a proposition as the one in the first resolution, and a proposal which follows, I think, logically and necessarily from what we have already done, and is necessary in order to make our work complete. Do you think we should adopt the principle in this Conference, that we should reject a thing because we cannot all see eye to eye? We cannot expect all to see eye to eye; but I do not think we should ask each other to withdraw entirely just because of that, because it may be very vital. By the wish of the minority the Conference may be deterred from voting upon some very important matter. The method I suggest would leave the Conference free to place itself upon record with reference to both of those, separately and individually, and consequently to draw all the strength possible to what I deem is the most important one, and that is the last.

Sir Henry de Villiers.—Would not there be a difficulty, that there is a rider or proviso at the end? How can we vote upon this last resolution unless we know also that the rider will be carried?

Hon. Mr. Foster.—I imagined there was no objection to that at all.

Sir Henry de Villiers.—The rider is carried unanimously upon the supposition that the resolution is carried.

Mr. Lee Smith.—I think there is a point here which has been entirely overlooked. It seems to me, in my opinion, we are going entirely outside the scope of our authority. If you refer back to the invitation which was sent to the various Colonies, you will find it reads in this way: The Minister recommends that the Colonies of New South Wales Queensland, Victoria, South Australia, Tasmania, New Zealand, and Fiji be respectfully requested to appoint and send one or more delegates, and so on. There is no mention of Great Britain in that matter at all.

The President.—Kindly read the latter part, where the Imperial Government is invited to take part in these deliberations; it is of an Imperial character as well as Colonial.

Hon. Mr. Fitzgerald.—Surely it must take a wider range than Mr. Lee Smith suggests.

The President.—You will find the report made to Council says, "the Minister also recommends that the British Government be requested to take part in the Conference, by sending a delegate, or by such other means as may be considered advisable, inasmuch as the object in view is of an Imperial as well as a Colonial character." The British Government very graciously acceded to that request, by sending his Lordship here to watch the proceedings.

Sir Henry Wrixon.—It shows the Government were asked to come into this because Imperial relations would be considered.

Hon. Mr. Foster.—We have got one step further. The adhesion of two of the delegates, at least, will be assured by a slight change of the wording, and I am inclined to believe that the Hon. Mr. Suttor will also fall in with his brother delegates in this respect. At least, it will make us as nearly unanimous as possible. That is, in the first resolution, instead of saying that this Conference "recommends," say "it believes in the advisability."

Hon. F. B. Suttor.—I might point out to the Hon. Mr. Foster that the words he suggests really make the resolution stronger than before.

Hon. Mr. Foster.—I understood it was Mr. Thynne's suggestion.

Hon. F. B. Suttor.—It really makes it much stronger than before.

The President.—Will you allow me to make the suggestion that we should take up the preamble, vote upon it, and when we come to the first resolution, discuss it and dispose of it, and if it is to be rejected, let it be so, or if there are to be any amendments, move your amendments, and see if they will be acceptable to the Conference. I think that will advance business.

Sir Henry de Villiers.—I willingly consented to this proposal or resolution of my colleague being withdrawn, and in regard to the motion which has just been carried, I would simply wish to be recorded as not voting. Of course my colleagues vote, and they carry it, so that the Cape Colony votes, but I should like it to be on record that I am not voting upon the matter, and for this simple reason, that I consider myself as the delegate of Cape Colony alone, that I do not consider myself as in any way authorised to represent the Orange Free State, or any of the parties to the customs union, and, therefore, I find a difficulty, which I am glad my colleagues do not entertain. My own view of my own personal position is, that I am not authorised to express any opinion by which the Orange Free State, or any of the other parties to the customs union, can be compromised, and for that reason, Mr. Chairman, I wish it to be entered on the minutes that upon this I did not vote; but the vote of the Cape is given for the resolution.

Sir Henry Wrixon.—The doubt that suggests itself to the Chief Justice would apply even more to the Australian delegates. They have nothing to do with the Orange Free State. I should think the view of the Chief Justice is clear and unanswerable, if we were doing anything of that kind, if we were determining anything, or seeking to legislate in any way, then, I think every Australian delegate should at once decline to vote. But, when we are really expressing an opinion as to the wisdom of a certain course, it seems to me we may express that opinion, without offence, whether we come from the north, south, east, or west. We are not assuming to dictate to anybody. We control nobody. The whole thing is a mere expression of opinion. Therefore in that light, I am quite willing to vote, though, of course, I have not the slightest right to assume to dictate to anybody.

Sir Henry de Villiers.—I do not wish to raise a debate. I have given simply the reason why I wish it to appear upon the record that I did not vote.

The President.—It is understood by the Conference that Mr. Hofmeyr is permitted to withdraw his original amendment of yesterday.

This was assented to by the Conference.

Hon. Mr. Thynne.—Mr. Foster has been good enough to state a series of questions which he has asked me to answer. I really have found a difficulty in getting hold of any one of the questions which he wishes me to answer from the very fact that when I did think I had one tangible question to answer, he did not give me an opportunity of answering it, which shows rather that his questions were not questions, but a new form of advocacy.

Hon. Mr. Foster.—An argument in the form of questions.

Hon. Mr. Thynne.—An argument in the form of questions. One phrase which fell from the Hon. Mr. Hofmeyr, I think, assists to clear the ground for us all. He referred to the resolutions which were passed during the last few days, and which he said no doubt contemplated the possibility of Great Britain entering into this reciprocal arrangement. We all did contemplate the possibility. Whether that possibility is likely to come into existence, whether it is likely to be realised now, or whether it is ever to be realised, it still remains a possibility, and it was in view of that possibility, although I believe we all consider it a very remote possibility, that Great Britain should come in and make these reciprocal arrangements, still it was in view of that remote possibility that I think we included in our resolution the request for the power to enter into these reciprocal arrangements with Great Britain, as well as between ourselves. But, sir, this resolution goes a great deal further than that. It is not only the statement that it is a mere contemplated possibility, but that it is a desirable thing that we should have it done, and that Great Britain should adopt a certain policy. That is the great difference between the two. We know that it is not merely possible between ourselves as Colonies, but very probable. But, I think it is a very sanguine member of this Convention who will venture to state that he expects, or even that within the next five years it is likely, that a preferential contract or reciprocal arrangement may be made between the Colonies and Great Britain. I think he would be a very sanguine man indeed, if he would make that statement. We all look at the chance of Great Britain entering into this arrangement as extremely remote. We look upon our own chance of making an arrangement between ourselves as not so remote, but this resolution goes further than that, and, in my opinion, and as I say, for the last time I hope, it seems to me, to express an opinion by this Conference upon the fiscal system which ought to be adopted by Great Britain I do not consider that it is my function or my place here to vote in favour of that proposition.

Hon. Mr. Playford.—I am exceedingly sorry my honourable friend has taken the course he has, because surely he will admit the force of the Hon. Mr. Foster's argument, that when we pass certain resolutions, we pass them at all events with some object in view; and, when we asked that certain disabilities, certain impediments, in our way, may be removed, we certainly had in our minds that these were impediments that should be removed; and, I think, when the honourable member tried to draw a distinction between desirability and possibility, he spun out an exceedingly fine argument. If it is desirable, we have not got to argue the question of possibility here; we have got to express the desirability of the thing, and we want to express it in the clearest possible manner, and to show what we want. We have asked the Imperial Government to remove certain disabilities that exist at the present time which prevent her from entering into special arrangements with her own Colonies. We want to say in the most unmistakeable manner, that it is desirable that they should be removed, in order that we should have the advantage of entering into the arrangement which present treaties prevent us from entering into. The argument is perfect, to my mind. I cannot understand the position of my honourable friend, Mr. Thynne; having gone so far, surely he might go to the extent we are going now. Having desired the removal of the impediment at the present time, we are further desirous of giving practical effect to that, by entering into an arrangement. That is all we say here. Of course, if we are going to argue from general matters into particular matters, if we are going to assume that Great Britain is not likely to enter into it, because of this, or that, I say that is altogether beside the question, because, as far as we are concerned, that is a position for England to take. It is for us to say what we think would be best. I think it most sincerely, and I believe the great majority of the Congress think it would be desirable if the mother country were to consider her children a trifle better, and treat them a trifle better, than she treats foreigners, who may be at war with her to-morrow, and that we, on the other hand, should be willing to reciprocate, and to give her advantages equal to those which she may give us. I am very sorry that we cannot come to a unanimous conclusion. I am very sorry it should go out that we were not unanimous on this important point, because it is really carrying on the work that we commenced, and unanimously commenced, the first days of this Conference, and giving expression to our opinions as to what course should be adopted to give effect to the resolutions we have carried.

Lord Jersey.—We have disposed of the preamble.

Sir Henry Wrixon.—We are all agreed to it.

The PRESIDENT.—Is the Conference ready to vote upon the first resolution, leaving the preamble until the last? Then you can discuss it or amend it as you please. The first resolution is: "Resolved, that this Conference records its belief in the advisability of a customs arrangement," &c., &c. Is the Conference ready for the motion, or are there any amendments? I will take the vote, as it was decided we should take it, by Colonies, one for each Colony.

The vote resulted as follows:—

Yeas.—Canada, Tasmania, Cape of Good Hope, South Australia, Victoria.—5.

Nays.—New South Wales, New Zealand, Queensland.—3.

The PRESIDENT.—The second resolution is:—"That until the mother country can see her way," &c., &c.

Hon. Mr. THYNNE.—I have an amendment to propose. I propose, Mr. President, that the words "such an arrangement" in the second line of the second resolution be omitted with a view of inserting the words "a customs arrangements with the Colonies."

Sir HENRY DE VILLIERS.—It is the same thing.

Hon. Mr. FOSTER.—If the Hon. Mr. Thynne simply wishes to change the verbiage, without the sense, I have no objection.

Hon. Mr. THYNNE.—If I am recorded as voting upon the second resolution, which embodies the first resolution by the words, "such an arrangement," I should be accepting an anomalous position.

The PRESIDENT.—Do you accept that, Mr. Foster?

Mr. FOSTER.—I would make that change.

The PRESIDENT.—Is it the pleasure of the Conference that the change, as suggested, should be made?

Assented to by the Conference.

The PRESIDENT.—The resolution, as amended, will read as follows: "That until the mother country can see her way," &c., &c.

Motion carried.

AN EXAMINATION OF TARIFFS.

Mr. LEE SMITH.—Mr. President and gentlemen.—Now that the preliminary skirmish is over, and we have the ground cleared for practical work, it is advisable that we should put something of a distinct form before the Conference, so as to carry out the object which we believe we are here to promote. Therefore, sir, I beg to submit the following motion:

"That this Conference proceed to examine the respective Customs tariffs of the various Colonies here represented, with a view to acquire such information as will enable the members to determine in what direction reciprocities may be profitably arranged, and thus place themselves in a position to advise their Governments accordingly."

Now, sir, as I have said before, we have been engaged during the last two days discussing questions with regard to how we can be placed in a position to carry out the objects for which we are here met. I say that the work generally has been on very high lines, and we ought now to come down to a more prosaic basis on which we must arrange this matter. I believe, sir, that now the time has come when we should do what Mr. Foster pointed out to us, and prove that we are prepared to do something of the nature which will do more than anything else to join and unite those bonds which he thinks it desirable to do, with regard to the communication between the Imperial Government and her Colonies. I do not see, sir, that we can do it in any better way than to proceed at once to acquire such information as is necessary to enable the respective members of this Conference to go home and report to their governments as to what is possible and what is important. So far as I am concerned, I have been sent here entirely in the capacity of a commercial man. I have a pretty wide industrial and commercial experience in my Colony, and as my Government viewed this entirely as a commercial conference they will necessarily look forward to some practical work resulting from our deliberation. I feel that I could not allow this Conference to close, and I believe there is a hope it will shortly close, without placing myself in a position to give my Government and my people some definite information as to the possibility of any trade extension between New Zealand and Canada. For instance, sir, there are many things that I have observed since I have been in Canada here which have

somewhat altered the views that I possessed in starting out from New Zealand. If Mr. Foster can spare the time from his duties, I would like to have an hour or two private talk with him and the other members of the Government, with regard to the position of the several industries that I cannot get information from so well as I think I can from them. The present condition of our tariffs—the Canadian tariff especially —appears to be very anomalous. I will mention wool, for instance. Some classes of wool are absolutely free, and on other classes there is a duty of three cents per pound. That is a thing I think we can discuss fairly. Some Colonies are interested in one class of wool and some in another, and I cannot see how we can proceed to carry out our objects without having that very important question discussed and determined upon, whether there should be a uniform duty on wool or not. I do not think it would be necessary for me to occupy the attention of the members of the Conference any longer than just to observe that I think we should at once, seeing that there is no other business before the Conference, proceed to examine the duties and the tariffs of our respective Colonies. I simply conclude by moving that resolution.

Hon. Mr. Hofmeyr.—I believe we are going too fast now. I believe many of us are not authorised to do anything so definitely as would have to be done by passing this motion. As regards the delegates from Cape Colony, none of us are commercial men. Sir Charles Mills is not a commercial man, Sir Henry de Villiers is not a commercial man, nor am I. I think I have a copy of the Cape Customs law with me, and I have no objections to handing it to any member of the Conference but, further than that, I suggest that the various delegates should go home and report to their Governments, and let the Governments venture to approach one another. If we are going into an examination of the customs tariffs of some eight or nine Colonies represented, I think we will be entering upon a most arduous work, and we will have very little result. I have seen sometimes customs arrangements discussed between two Colonies, and it took months. It took the United States three months to discuss their tariff. I hope this motion will be withdrawn.

Mr. Lee Smith.—I will be very glad if any gentleman will show me some more practical way of arriving at our object. Hitherto, we have been discussing only abstract questions, and we are going home without any result at all.

Hon. Mr. Foster.—I want to see if I cannot suggest a practical mode. We know that no Colony comes here empowered to make any trade arrangements. We come here to discuss principles and lay down our views as far as we can come together; but, at the same time, this is an excellent opportunity for the members from each Colony to have a consultation outside of this Conference with the Dominion of Canada, and compare notes, just as thoroughly as they possibly can, as to what our requirements are, and see what we can send them in return for something they can send to us on some equal terms.

Sir Charles Mills.—You mean outside of the Conference?

Hon. Mr. Foster.—It is entirely outside of the Conference, and to facilitate that, you will remember, I gave to each delegate a copy of our tariff, so that they could see our customs tariff, as it is at present and as it will be by law in a few days; and the delegates might make up a list, not to be handed in to the Conference, but to be given to the Government, Mr. Bowell, or myself, as to what products they would think they could advantageously send into Canada. We can easily make up a list of our products which we think we can advantageously send into the different Colonies. By having this Conference with each Colony, we can compare lists and we can come to a pretty good practical conclusion as to what the subjects of the negotiations might be based upon. Then the delegates would take that information they get to their Governments, and whatever is to be done afterward would be by negotiations between the Governments. It would be well if we started with a personal comparison of notes between the different delegates from the different Colonies and the Canadian Government. Mr. Bowell, as Minister of Trade and Commerce, will be very glad to meet with you on these points. This personal explanation would be simply an informal conversation for purposes of getting information, and then you can get down to something like a practical basis, and we can by correspondence come to an agreement.

Hon. Mr. Fitzgerald.—I apprehend, in order that the records of this Conference should contain what the members did on this important subject, it would be desirable that, after the Committee of Colonial Representatives did agree upon lines as suggested by Mr. Foster, they should then report to this Conference with a view that it would be on record that they had submitted to the Canadian Government a list of articles which

they thought might fairly be the subject of legislation with regard to reciprocal duties. Then the Conference would have a distinct reference to that subject. It would show that an important matter like that was not neglected by us. I apprehend that half an hour would suffice to discuss it. It would not take three hours.

Hon. Mr. Foster.—For each Colony to discuss it?

Hon. Mr. Fitzgerald.—I think the Colonies are all one with regard to it.

Hon. Mr. Suttor.—I might suggest that, instead of each delegate waiting upon the Minister to discuss the thing, we might discuss it at an informal meeting.

Mr. Lee Smith.—There are only half a dozen items.

Hon. Mr. Suttor.—Each member can discuss the matter and give his opinions as to what articles might be interchanged between Canada and his Colony.

Hon. Mr. Foster.—That would be an informal meeting.

Mr. Lee Smith.—It had better be recorded. I should like to have it recorded.

Hon. Mr. Suttor.—We can make certain suggestions at an informal meeting.

Hon. Mr. Foster.—A further idea strikes me now. We have a difficulty in connexion with the Australian Colonies from the unfortunate fact that they are not in a confederation—in our view, an unfortunate fact. It would be so much better if we were to all meet and discuss the points upon which trade can be best carried on. Is it not so that the products of these Colonies are in the main the same as to what articles they would like to export?

Hon. Mr. Fraser.—Very largely the same.

Hon. Mr. Foster.—I think Mr. Suttor's suggestion is a good one, that we get through the formal business of the Conference, that a day be appointed on which we can meet informally; the different delegates having consulted among themselves, they would be prepared with their views as to the articles which we would like to interchange and then we can take this whole matter into consideration. I think that would be a very good thing. Mr. Smith states further that there should be some record in evidence for the Governments. That might be advisable, and it might be placed in the form of a motion by which it be resolved that an informal meeting of the Conference be held at which the delegates from the different Colonies shall meet and interchange their views upon the products that will form the subject of negotiations as between the different Colonies.

Hon. Mr. Forrest.—I cannot exactly see any good that will come out of this, because it is wholly improbable that the same arrangements will suit the whole of the Australian Colonies, and each Colony shall have to speak for herself. If a record is wanted, the delegates can each address a letter to the Minister of Trade and Commerce, stating what is wanted or proposed.

Hon. Mr. Foster.—I think a great deal of good would come from an interchange of ideas if there were special points that could be brought up.

Mr. Lee Smith.—We cannot do anything better to place ourselves in the position of going home and recommending to our Governments what we think advisable. My Government expect me to give them such information as will enable them to judge of the advisability or otherwise of entering into any arrangement, and I feel perfectly sure that they will feel sufficient confidence in such recommendation as to submit it to Parliament. I suppose every other gentleman is in the same position. If they are not in the same position, I do not understand why they come here. This thing cannot be hurried through and satisfactorily completed with a few abstract discussions. My people expect me to give them a full report of the whole position of the Canadian industrial field. I apprehend that the other Governments are going to have the same thing and I believe that this discussion should be fully reported.

The President.—The motion moved by Mr. Lee Smith has no seconder.

Mr. Lee Smith.—Has no one seconded it?

The President.—No.

Mr. Lee Smith.—So long as it is on record, I do not care. Very well.

The Conference adjourned.

Office of the Minister of Trade and Commerce, Ottawa,
July 7, 1894.

The Conference resumed at 10 a.m.

DELEGATES PRESENT.

The Imperial Government.—The RIGHT HON. THE EARL OF JERSEY, P.C., G.C.M.G.
Canada.—HON. MACKENZIE BOWELL, P.C.
HON. SIR ADOLPHE CARON, P.C., K.C.M.G.
HON. GEORGE E. FOSTER P.C., LL.D.
SANDFORD FLEMING, ESQ., C.M.G.
Tasmania.—HON. NICHOLAS FITZGERALD.
New South Wales.—HON. F. B. SUTTOR, M.L.A.
Cape of Good Hope.—Sir HENRY DE VILLIERS, K.C.M.G., C.B.
SIR CHARLES MILLS, K.C.M.G., C.B.
HON. JAN HENDRICK HOFMEYR.
South Australia.—HON. THOMAS PLAYFORD.
New Zealand.—LEE SMITH, ESQ.
Victoria.—SIR HENRY WRIXON, K.C.M.G., Q.C.
HON. NICHOLAS FITZGERALD, M.L.C.
HON. SIMON FRASER, M.L.C.
Queensland.—HON. A. J. THYNNE, M.L.C.
HON. WILLIAM FORREST, M.L.C.

Mr. LEE SMITH.—I would like to observe that I do not see any reference to a motion I brought forward yesterday.

The PRESIDENT.—I have made inquiry about that, and I find that the error, if such it be, is because it was understood by some, at least I was under the impression, that it was withdrawn. That is the reason the secretaries did not put it upon the record. If Mr. Lee Smith thinks it should be upon the record it shall be amended. I can see no possible objection to its being recorded. It was not seconded, and the point is, whether it should be upon the minutes. If it is desired that it should be upon the record we can easily make an entry, that it was proposed, and, not being seconded, it was not put to the Conference.

Mr. LEE SMITH.—That would satisfy me, sir.

Lord JERSEY.—I understood Mr. Lee Smith distinctly to say he wished it to be upon the record.

Mr. LEE SMITH.—I will write out a fresh motion and hand it in.

IMPROVED MAIL SERVICE.

The PRESIDENT.—The next motion is Mr. Lee Smith's, as follows:—

"That this Conference take into consideration the question of a mail service between Great Britain and Australasia *viâ* Canada."

Mr. LEE SMITH.—Mr. President and gentlemen: In bringing forward this question before the Conference, I hope it will not be considered that I am saying anything in disparagement of the business that has hitherto been done, when I state that, in my view, this subject is one of the most important that can be brought before the Conference. Hitherto, sir, we have been engaged in discussing the best means of carrying out the main object of the Conference, and that is the knitting together of the outlying portions of Her Majesty's Empire with the mother country. We have dealt with the Pacific cable, and we have also dealt with the question of how we are to obtain permission or liberty to carry out intercolonial reciprocities, so as to complete the matter and enable us to do that which we have come here to do; but with regard to this question, sir, but for strategic reasons, it should, in my view, have come before the cable, because I think the ability to communicate and do business should be arranged before you go into the question of how you are to have telegraphic communication. If I give you a short history of the mail and steam communication between Australia and Great Britain, I shall best present to you the present position, and enable you to judge of whether this route through Canada to Great Britain is or is not wanted. Going back to the early history of mail communication between Australia and England, we find that in 1856 the first communication by very slow steamers was, in fact, partly by steamships, and partly by sailing vessels. It was not until 1868 that any great advance was made, so far as regards the despatch of mails. That advance was very materially brought about by the fact that a different route was adopted to any

that had hitherto been used. Previous to that time all the mails from Australasia went exclusively by the way of the East, by Suez, and by what we may term the P. and O. route, and there was no attempt made, in any shape or form, to accelerate those mails. In the year 1866, arrangements were made to obtain access to England through America, and a contract was made by New South Wales and New Zealand with a company to arrange a service *viâ* Panama, and thence to Great Britain by the Royal Mail Steamship Company's steamers. That very much shortened the time that was occupied in carrying these mails, and then it was that the P. and O. Company for the first time made any effort to reduce the time they had hitherto taken. That service was kept in existence for some two or three years, and then, the company failing, it was abandoned; but the people of New South Wales, and the people of New Zealand were so satisfied with what had been done, and had their eyes opened to the fact that there was no way of getting to England better than the one adopted, that they determined they would take some steps to arrange for a service *viâ* America. Consequently, in 1869 or 1870, a service was arranged for *viâ* San Francisco, and that reduced the time between Sydney and London by, I think, some three or four days. From that time to this, something like 24 years, there has been a continuous mail service, of one form or another, some good and some bad, through San Francisco, and a very large portion of the correspondence of New Zealand, and New South Wales, has been sent *viâ* that line. After the adoption by the P. and O. Company of measures to quicken their service, there followed a desire on the part of the Australian Colonies proper, that is, the continental Colonies, to also get some better advantages than they had, more especially those lying on the western side of Australia; and, in 1878, the Orient Company appeared on the scene, and they ran in opposition, for some time, with the P. and O. Through that competition, the service was very much improved. But, shortly after that, an arrangement was made by the Australian Governments for working the lines in conjunction, that is, each company ran a fortnightly boat, and these boats were to run alternately, so that now Victoria, South Australia, Tasmania, and New South Wales are served by a weekly line of steamers running direct from their Colonies to London, and I believe the time occupied in transmitting their mails has been brought down to something like 32 or 33 days from Melbourne, which is considered very satisfactory.

Hon. Mr. Foster.—That would not be the all-water route. That 31 or 32 days is the mail time between Melbourne and London.

Mr. Lee Smith.—Yes.

Hon. Mr. Playford.—The passenger time is about a week longer,

Mr. Lee Smith.—Then, with regard to Queensland, they have what may be termed an independent line of their own, for arrangements were made some time about the year 1880 for a four-weekly steam service by the Straits, and that service, I suppose, may be considered the mail route. Then, there are two other means of communication, the Messageries, and another, and besides that again, from New Zealand, there are two direct boats running fortnightly from New Zealand to London. So that we have now six lines whereby communication is had with Australia and New Zealand:—The P. and O., the Orient, the Queensland Company, the San Francisco route, the two direct boats from New Zealand, and latterly there is the line from New South Wales direct to Vancouver, known as the Canadian Pacific line. Now, sir, I recognise that, in dealing with this question, the different Colonies represented here will take different views; for instance, gentlemen from South Australia cannot be expected to regard this question with the same fervour as we do, who are more East, but there are two, or even three, Colonies, whose interest I think it must be to endeavour to promote some communication with England *viâ* Canada; those Colonies are New South Wales, Queensland, and my Colony, New Zealand. I do not think it is necessary for me to enlarge upon the matter more than to say this, that so far as my Colony is concerned, I shall be prepared to give it consideration, from what I may term a federal point of view. I recognise that New Zealand cannot be placed in a better position than any other Colony; but, if we are going to do anything to carry out, in a practical way, the views which we have given utterance to, quite unanimously, here with regard to the absolute necessity there is of our having a direct cable route from Australia to Britain, through British possessions, that argument is more applicable to a question of mail service, because it must be clear that, if there be war, there will be a very great advantage gained by the opportunities afforded for passengers and mails to be carried through from Australia to Great Britain, without fear of being intercepted, or in any way interfered with as by the old routes going through the East. If there is any force

whatever in the argument as to a cable route, it is much more applicable to the question of a mail and passenger service. The present line is manifestly incomplete—I refer to what is known as the Canadian Pacific line—It is incomplete, it does not fulfil the conditions which we all here have regarded as being absolutely necessary for the carrying out of the views which we have agreed upon—the desirability of having a quick and reliable passenger mail service to London. This line runs direct from New South Wales to Fiji, and thence to Vancouver, but there, so far as regards its Imperial aspect, it stops. Putting it plainly, gentlemen coming to Vancouver are then thrown out, so to speak, upon the land of Canada, and they get to London as best they please. They can either go to Montreal, and take a boat from there, a slower boat, or they can go to New York. What we require is that the people of Australia should know that within so many days they can absolutely rely and depend upon getting away from some central point in Australia, and also from New Zealand, getting not only to Vancouver but also to London in a reliable manner, on a through ticket, on first class boats. So that we can present to the world this great fact, that we, at this great Conference, have carried out really the most material means whereby our hopes and aspirations can be realised. I am not familiar with the terms of the arrangements which are supposed to be in progress with regard to a service between Canada and Great Britain, but, I believe it is quite possible, that, if we give a sufficient subsidy, or give a sufficient inducement, in some form or other, we could establish such a connexion, through your ports, with Liverpool, as to compete, and to compete very successfully, with the route which goes through San Francisco; and, when I tell you that there is a very large passenger service through San Francisco from my Colony, I think you will see the necessity of our being patriotic enough to endeavour, as far as possible, to attract it to our own shores. All our mails now come through San Francisco, nearly all the mails of New Zealand. Of course, I am speaking from a New Zealand point of view; but, so far as my Colony is concerned, we have thought we should get a line *viâ* Vancouver, and therefore the people could make their choice of either going from San Francisco to London, or they could go through Canada, which would be their preference, if there is any reality in the idea we talk about, our patriotic feeling. In my first motion, I only dealt with the question of Canadian and Australasian service, but, on consideration, gentlemen, you will observe I have widened it to a through service, because I feel sure that we must take the opportunity here of debating this question entirely upon the broad and general and national line that we have dealt with all other questions, and that is, the absolute necessity there is of impressing, not only all the Colonies, and not only Great Britain herself, but the world at large, with the great fact that we are determined to do something of a practical nature to bring together our various Colonies with the mother country. I do not propose, sir, to advance any particular proposition. I think it would be extremely unwise for me to do so, because I would only create jealousies. I am afraid I have created a few jealousies, because I know that one or two of my propositions have not met with the approval which I think they deserved, therefore, I shall not risk anything further in that direction. I have merely brought the question up in a general way, so that all the Colonies may put forward their views, and I do hope that before we are done with the question we shall have arrived at some agreement, upon some general basis, whereby we can carry out what we have in view.

Hon. Mr. Foster.—Could you give the amount your Colony pays as mail subsidies?

Mr. Lee Smith.—We carry it now by poundage. We guarantee so much. In New Zealand, I think it costs about 7,000*l.* a year.

Sir A. P. Caron.—How much is the total?

Mr. Lee Smith.—About 30,000*l.* a year between New South Wales and New Zealand.

Sir A. P. Caron.—New South Wales, I see, is 13,274*l.*

Mr. Lee Smith.—The subsidy is about 34,000*l.* The American Government give 4,000*l.*, or did give it; I think they have withdrawn from it. It is divided in the proportion of thirds, the contractors taking one-third, New Zealand one-third, and New South Wales one-third. I may say that our service *viâ* San Francisco is very satisfactory. Our average time is 32 days, but I understand that, if this mail service that we propose is carried out, New Zealand can be put within something like 28 days from London, and Sydney about 30. I have nothing more to say upon the question which

I have really opened for the discussion of the Conference, and I will merely conclude by proposing the motion.

Motion seconded by the Honourable Mr. Foster.

Sir A. P. Caron.—Mr. Chairman: Before I enter into the very few remarks which I desire to make upon this very important question, I should like to draw the attention of the Conference to the fact that on the opening day, or the following day, I placed upon the table, which I may be excused from mentioning again, as it belongs to the department over which I preside, but I consider that it is of some importance from the fact that it discloses the organisation of the postal system of Canada, and also discloses the policy which had hitherto been followed in reference to that branch of our public service. I do not wish to read it to the Conference, and take up time, uselessly, as it is printed, and I thought, for reference, it would be more convenient merely to place it before you. I should like, Mr. Chairman, for reasons which I have already expressed, that it should form part of the proceedings, and appear as part of the record of the Conference. I can fairly say that Mr. Lee Smith has made an exposition of a very important case in a manner which certainly is not only satisfactory to the Conference, if I may speak for the Conference, but which has also given to us most valuable and important information. I think it is quite useless to take up the time of the Conference, by insisting upon the necessity for assisting, by subsidy, lines of steamers carrying mails. This is being generally recognised by the maritime nations of the world; it would be useless, I think, to spend very much time in arguing the necessity, in giving such support, and following a practice which has been almost universally recognised. The essential conditions of an ocean mail service, as I understand, are increased speed in the running of vessels employed in the service, and assured regularity in the time of arrival and departure. Without a compliance with these conditions, the transmission of correspondence by sea would become so irregular as to seriously impede the operations of commerce and a subsidy must be necessarily large or small in proportion to the extent to which these conditions are insisted upon. For a number of years, our neighbours to the south of us, the United States, abandoned completely the policy of subsidising steamship lines for the purpose of conveying mails, but there has been a reversal so far as that policy is concerned. In 1891, a change took place, and from that period of time the policy of subsidising steamers carrying ocean mails was resumed, as will appear by the report of the Postmaster General of the United States of 1892. Very large sums, indeed, were paid during the six months ending the 30th June 1892 for conveying mails by sea, over and above the amount of the postage upon the correspondence conveyed. For example, on the routes between New York, La Guayra, and Colon and between San Francisco and Panama and Hong Kong, a sum of $77,103 in excess of the postage earned was paid for mail conveyance, and it was estimated that the amount to be paid for the next financial year, not including any service to Europe, would be $954,000, which, as will be seen, is a very large increase on what had been previously expended. The policy of subsidising steamers and of expending large amounts of the public money for the purpose of perfecting, to the fullest possible extent, the mail service between the different countries has been so thoroughly recognised that in carrying out that policy of reverting again to the paying of a subsidy to steamers carrying mails, the Postmaster General insisted upon the "City of Paris" and the "City of New York" being naturalised and flying the American flag, and, of course, under that flag, receiving from the New York Post Office all the advantages which possibly could be conferred upon that line, for the purpose of giving it every possible help from the public revenue. Now, sir, the mail service between Queenstown and New York is subsidised to the extent of 104,251*l.* sterling per annum; the amount paid for the service between Brindisi, Naples, and Adelaide is 170,000*l.* sterling per annum, the Australian Colonies contributing 75,000*l.* out of that amount. The cost of the service between Brindisi, the East Indies, and China, is 265,000*l.* For mail service to the West Indies, 85,000*l.* per annum is paid; the yearly subsidy to the Allan line for conveyance of mails from Quebec, Halifax, and Montreal is $126,533. The reason, Mr. Chairman, why I trouble the Conference by giving the figures which I have just given, is for the purpose of showing the very large subsidies, which, according to the well-understood policy of the two great maritime nations England and the United States, is considered to be money properly expended for the purpose of giving all possible facilities to trade and commerce, by having the most perfect system of mail service that money can procure. If we wish to make closer the ties which connect the Colonies and England, and if we wish to have a union which will be, not only a union on paper, but a union useful to every member composing that union, it is necessary for

us to begin, at the very beginning, by establishing the best mail service possible. I fully agree with the words which have fallen from the lips of Mr. Lee Smith, who said he considered this one of the most important questions, one of the most serious considerations, that could come before the Conference. If we wish to establish a fast line of steamers, to establish a mail service which would be regular, which would carry the mails in the shortest possible time, we should consider that it will be necessary to pay large amounts of money, and large subsidies for the purpose of obtaining these advantages. And, considering what the Imperial Government has been doing for other countries, she should certainly contribute, and contribute very liberally, to a subsidy to a fast line of steamers on the Atlantic Ocean, and also on the Pacific Ocean. I consider that one of these two is perfectly inadequate by itself. If you have a fast line of steamers on the Pacific Ocean, and you traverse the continent in the shortest possible time, as we do to-day, over the Canadian Pacific Railway, all that money, all that trouble, would be lost, unless we secure on the Atlantic as fast a line as we possibly can, because, the fast time that would be made in crossing the continent, and the fast time that would be made on the Pacific, would be completely lost, without a fast Atlantic line. In view of the large contributions made by the Imperial Government towards the service between Brindisi and Adelaide, viz., 95,000*l.* out of 170,000*l.*, to the service from the East Indies and China, 190,000*l.* out of 265,000*l.*, and in connexion with this service I must draw the attention of Conference to the fact that large sums of money are contributed for a service between England and foreign countries, Japan, and Hong Kong, the latter of which, of course, is a Colony of England. She contributes towards the cost of the service to the West Indies 65,000*l.*, and a large amount is paid for the service between Queenstown and New York, viz., 104,231*l.* I claim it is only reasonable that an Imperial contribution should be given to the Australian mail service from Vancouver to Sydney, and also to a fast Atlantic service from Quebec to Liverpool. Pertinent to this question, I may be excused if I take up the time of the Conference, for a very few minutes, by reading a paper which was sent to me by Sir Charles Tupper, whom most of you know personally, or have heard of, as being the High Commissioner for Canada, and I think it is of very great importance in relation to the question now under discussion. It is an extract from a paper read by Sir Charles Tupper at a meeting of the Royal Colonial Institute on the 8th of May 1894. He says:—

"At the outset, it is interesting to know the average time occupied in the conveyance of mails to and from Sydney and London by the present Suez route. The latest Blue Book that I have been able to obtain is that of the report of the Postmaster General of New South Wales for the year 1892, issued in 1893. There, I find that the returns of the mail service of the Orient Steam Navigation Company during the year 1892, give the average time between London and Sydney as $33\frac{1}{13}$ days, and between Sydney and London as $33\frac{1}{25}$ days; while, in the case of the Peninsular and Oriental Navigation Company during the year 1892, the average time occupied in the conveyance of mails to and from Sydney and London was as follows:—London to Sydney $33\frac{9}{26}$ days; Sydney to London $34\frac{6}{13}$ days. The consideration paid by the British and Australasian Governments for the above mail service is 85,000*l.* per annum to each company or 170,000*l.* altogether; and out of this contribution of 170,000*l.* the United Kingdom pays 95,000*l.*"

These large sums of money which are paid, I think, are very properly paid, but the advantage to the Empire, and to the Colonies, of having a line all through British territory, absolutely safe, as short as, if not shorter than, any other line that now exists, deserves, I think, to be recognised, and that the Imperial Government, as it has done in so many cases for other Colonies, should contribute subsidies to the Atlantic and Pacific lines. The extract proceeds:—

"The present intention of the proposed steamship company is to have upon the Atlantic a weekly service of 20 knots speed all the year round and to maintain it by the building of four exceptionally large, swift, completely equipped express passenger steamships. On the Pacific at present it is only proposed to have three steamships, thus adding one steamship to those now performing the monthly service between Sydney and Vancouver. The presence of a third steamship on the Pacific has enabled the promoters of the new service to suggest two propositions:—First, that there shall be during the summer months a three-weekly service between Sydney, Moreton Bay, Fiji, Honolulu, Victoria, and Vancouver, and during the winter season a four-weekly service by the same route. It may be said at the outset that the mails by that route can be easily delivered in the time now occupied by the Suez route; but it will be observed that it is only, in the one case, a three-weekly service, and in the other a four-weekly service.

"2nd. If it shall be hereafter decided to call at a New Zealand port in preference to Moreton Bay, Queensland, then, with three steamships on the Pacific, the service can easily and regularly, all the year round, maintain the four-weekly service between Sydney, Auckland, Fiji, Honolulu, Victoria, and Vancouver. The drawback to calling at a New Zealand port instead of a Queensland port would be the lengthening of the voyage between the last Australian port of call (*i.e.*, of Sydney) and England by 36 hours each way; but, even allowing an additional 36 hours for the extra mileage by the New Zealand route, the promoters of the service state that they would be able to deliver the Sydney mails, from the date of the establishment of the fast Atlantic service, in about the same time that is now occupied by the steamships of the Peninsular and Oriental, and Orient Companies from Sydney to London by the Suez route, while the New Zealand service (Auckland to London) would be reduced to within 31 days. It is stated that the current contracts between

the British and Australian Governments and the Peninsular and Oriental Company and the Orient Company have been extended for an additional year, and expire in January 1896.

"At the Ottawa Conference to be held in June next, one of the most important subjects for consideration will be whether the time has arrived for Great Britain and the Australasian Colonies to recognise Canada as an Imperial highway for an Australian mail service, affording the Empire an important alternate route, and I venture to hope that a favourable decision will be arrived at. At the present moment the only Australian subsidy actually being paid to the Vancouver service is 10,000*l.* sterling per annum by the Government of New South Wales. If that subsidy were increased to at least 50,000*l.* sterling per annum from Australasia, and if the British Government will give the minimum subsidy asked for the Atlantic service of 75,000*l.*, sterling per annum, Australasia will secure in 1896 an alternate fortnightly route by way of Canada. As to the time to be occupied by the mail service between Sydney and London, the promoters of the new company are prepared to name 31 days as the period for the first term of years, but, in any event, to do it as quickly as can possibly be done by the Suez route. It is interesting to note from the Blue Book above referred to that the net cost to New South Wales of its joint service *viâ* Suez was in 1892 only 13,274*l.* 8*s.* 5*d.* It is reasonable to assume, therefore, that the amount collected for stamps will go a long way towards paying the subsidy for the proposed mail service."

Now, Mr. Chairman, I fully endorse everything Mr. Lee Smith has said in reference to the importance of establishing this mail service. It is impossible to contemplate any business union between the Colonies, any commercial union between the Colonies and the mother country, unless every possible facility, which can be given to trade and commerce, over the seas, and overland routes, is given, and this will require a large expenditure of money. Canada, has already, as I view it, done its fair share in building the Pacific Railway, which gives to the mother country an absolutely safe route, built on British territory, and which permits the mother country to carry her troops to her Colonies in the shortest and safest possible way known. In consideration of these advantages, Canada has already agreed to expend a large amount of money for the purpose of subsidising a fast Atlantic steamship line, and an Australian and Canadian line on the Pacific. Under these circumstances, I think it is fair to expect, having shown our strong will to help, and contribute what we could towards completing the system, that the Imperial Government should be asked to subsidise the line on the Atlantic, and the line on the Pacific. Then, I think, we would have the most perfect system that could be organized, and a system which would contribute largely to develop the resources, not of Canada alone, but of all the Colonies entering into the union. Sir, under these circumstances, I hope that when the time comes, the very strongest representations will be made to the Imperial Government, so that the subsidy which we expect can be voted by the British Parliament, and granted for the establishment of these lines.

Hon. Mr. Suttor.—What is the position of the matter in connexion with the granting of subsidies for the Atlantic steamers? From reports, I understand the negotiations are at an end.

Sir Adolphe Caron.—These reports are not to be relied upon. Mr. Huddart was being commissioned by the Canadian Government to negotiate subsidies for the establishment of this fast service over the Atlantic Ocean. We had entered into a provisional agreement with him to give $750,000 per annum for the purpose of helping in the establishment of that service.

Hon. Mr. Suttor.—For how many years.

Sir Adolphe Caron.—Ten years. He has been negotiating in England with capitalists. Naturally, a line of that importance will cost a very large sum of money, and, as I understand, he has been successful so far in his negotiations. I do not mean to say that everything is completed, but everything that can be done has been done. The Chairman reminds me that Mr. Huddart is now waiting until the subsidy of $750,000 be affirmed by Parliament to complete his organisation and make the arrangements necessary to carry out the scheme. The class of steamers being arranged for are equal to any steamers afloat. They are 20-knot vessels. They are to have 3,000 or 4,000 tons of cold storage, so that they would be very valuable additions to our system, and would enable us to carry fruit and whatever perishable goods may come from these Colonies.

Lord Jersey.—On the Pacific?

Sir Adolphe Caron.—No; on the Atlantic.

Lord Jersey.—A very strong demand has been put forward for the granting of a subsidy by Great Britain; but I think it will assist us very much if we could have a few more data as to what the expected cost of the line would be; first of all, the line between Great Britain and Canada, and also the cost of the line between Vancouver and Australia.

The PRESIDENT.—Do you mean the cost to the promoters, or the subsidy?

Lord JERSEY.—The cost of the line.

The PRESIDENT.—To the promoters or the Government?

Lord JERSEY.—To the promoters. We must have some idea what the cost of the line would be; we must know how much is expected, of course. The same remark would apply to the Pacific line. In a matter like this, it is clear that neither Canada, nor Australia, nor Great Britain would give a subsidy, except it were in return for some service. As a rule, the subsidy is given under the belief that the quick conveyance of mails is a good service rendered by the company. Of course quick service is essential. I must point out that Great Britain would certainly want to know beforehand what the contributing parties were proposing to give towards the subsidy, what the Australian Colonies were prepared to give towards the line, and what the Canadian Government were proposing to give towards it; and it is essential we should know how much it is expected to cost, because, supposing a subsidy were agreed upon by Canada for the Atlantic portion of the line, and it was found the line could not be carried out in a satisfactory manner, where would Great Britain be?

The PRESIDENT.—We have taken care of that in our contract; the work has to be performed, or the subsidy ceases.

Sir ADOLPHE CARON.—I may say the four steamers would cost about two-and-a-half millions sterling; that is for the Atlantic service.

Lord JERSEY.—It must be considered entirely as a mail service, and the cost of that mail service is a very important matter. It could only come in that way, and the question which I hope the Conference will consider is this: are they prepared to advise the postal authorities at home that it would be a great advantage to them—to the Colonies—that the whole of the contracts connected with the mail service should be re-considered in the immediate future, for the purpose of readjusting the subsidies paid to the different companies? No doubt a very large amount of money is paid by the Imperial Government for mail subsidies, and it is not going too far to say that the authorities at home are only anxious that that money should be used in the best possible way for the different parties within the Empire; that is to say, that the best mail routes should be chosen. Of course, there is great force in what Mr. Lee Smith says, that in a matter of this kind one must go a little beyond the pecuniary considerations, because I think myself the creation of a good line of steamers would probably have such an effect that it would entirely revolutionise the Pacific, in a good sense; but I should like to find out what the different Colonies of Australia are prepared to do in the matter, and what line of communication they wish to adopt as between Australia and Vancouver; and also as to whether they think that the time is approaching when these mail contracts should be entirely reconsidered. At the present moment there is a committee sitting at home prepared to deal with this subject. They will await the result of this Conference, and the opinion of this Conference must have a great weight with them; and they will not decide anything until they hear what this Conference advises. But it will probably take some time to come to any conclusion, because of the dates when the different contracts will run out. At the present moment those contracts would run out at the beginning of 1895; they have been prolonged till 1896, and the China contract will not run out till 1898; and it certainly would be an advantage if all the contracts could run out at the same time. It would put the Government in a much better position if they could make their contracts all at the same time instead of having one of the contracting parties in possession, so to speak, for a number of years. I think, with regard to some points like these, a little light might be thrown on the subject, and it would advance greatly the conclusion in the matter.

Hon. Mr. FOSTER.—Is there any particular period for which the Home Government gives subsidies—five or ten years?

Lord JERSEY.—They were given for a certain number of years, which period expires, as regards Australia, on the 1st December 1895; but the arrangement has been prolonged for another year. The China contract does not expire until 1898; and it might be well that they should all expire at the same time and so enable Great Britain, the Colonies, and the steamship companies to make a comprehensive contract. That would give an opportunity of then considering how much, if any, should be diverted from present contracts; and whether, as Sir Adolphe pointed out, if a fast line is arranged to go to Halifax or Quebec, a portion of the large contract with the White

Star line should be diverted. What I should like to know is, what is the estimated cost of these lines? What are the general prospects of its success? Are there natural difficulties in the way of the fast line to Halifax or Quebec which would make that line undesirable, or are the difficulties only ordinary difficulties which can be overcome in these days? As I said before, the postal authorities at home will have to make out a case for the transfer of any contracts, or the diminishing of any subsidies which they are giving at the present time; and in order to enable them to do that, they must have the fullest information which can be given to them. I might just mention that the postal authorities at home have made themselves liable for 45,000*l.* for the western extension to Hong Kong and Shanghai, and that was done upon the very broad grounds that there is very great saving of time in taking that route; and also that the steamers that carry those mails can be used for other purposes when the occasion requires.

Sir Adolphe Caron.—Mr. Huddart is in Ottawa at the present moment, and I think that he could give us very valuable information upon the very point his Lordship has referred to, as to the cost of the different steamers and the number of steamers. He is a practical man, so far as that question is concerned, and I think he would give us very valuable information that we might not get from any others.

Hon. Mr. Forrest.—I do not rise to address myself distinctly to the question before Conference, but I simply wish to remind the Conference that our time is drawing very near a close; we have received valuable information, I admit, from all the speakers, but I think we have not time to go into a lengthened debate, and it would unquestionably be very much better if a distinct proposition were put before the Conference to consider, or two distinct propositions, as the case might require; and, as Canada holds the key of the position I suggest that we should get such a proposition put before us by a Dominion representative, so that we can consider the matter from a practical point of view. I think it is the best way, and will save time.

Mr. Lee Smith.—My view is that we should first have a general discussion, and I would be prepared afterwards to move in the direction of a line; but I did not care about making any distinct proposition, because, in the whole of this Conference, we have proceeded in this way, commencing with a general discussion in the abstract; and that is the course I have followed in the matter.

Hon. Mr. Foster.—I would like personally to hear the views of all the members round the board in an informal way.

Hon. Mr. Fraser.—I have listened with pleasure to the remarks of my friend Mr. Smith in moving his motion, and we all acknowledge that the more mails we have to Australia the better for all concerned, and the better for trade. Of course, as Lord Jersey has just remarked, the mail contract with Australia terminates in about a year, which contract has been extended, I think, for about another year. That was done quite recently, and there was a very strong discussion, at any rate in the Upper House in Victoria, regarding it. It was distinctly understood,—and the Government made a promise—that they would take good care that, in any renewal of mail contracts with either the P. & O. or Orient, one provision should be made for the carriage of frozen meat, butter, and such produce, and that has been agreed to, I think, by the companies. Well, now, I know there is a feeling, with some public men in our colony, at any rate, that it is more important to arrange for cheap transit of produce than for any great alteration in the mail arrangements. The arrangements at present are considered, I think, on the whole, very satisfactory. Of course, there is no doubt it would be an advantage if the speed could be increased; we all know that could be easily done; but with our cable system, that is not as imperative as the other view that I mentioned, viz., the cheap carriage of our frozen meats, butter, fruits, and so on. The prosperity of Australasia or Australia greatly depends upon cheap carriage of our immense quantities of produce.

Hon. Mr. Playford.—Cheap and quick.

Hon. Mr. Fraser.—Yes, cheap and quick. I recognise that quick despatch of huge cargoes of frozen mutton is inconsistent with cheap freight. Cheap freight is the great consideration for our frozen mutton; and, even now, in Queensland they are making immense strides in that respect, and in Victoria we are just commencing to erect large frozen-warehouses, or frozen-factories; and I predict that, in a very short time indeed, the trade in that respect will be immense. We have in the four Colonies 106,000,000 sheep, and we could easily increase them and multiply them if we saw a profitable outlet for the surplus produce. I am speaking now for Victoria, New South Wales and

Queensland; and my interest in New South Wales and Queensland is much larger than in my own Colony, Victoria. We can multiply our frozen mutton produce immensely, if we can see our way to dispose of it. In some cases we really have had to boil down large numbers of sheep, because we had no market. In one property I am connected with, the Squatting Investment Company in Queensland, on the border of New South Wales, you would be surprised to learn that we have had to boil down, for their tallow alone, 45,000 ewes, simply because we had no market, and no place to freeze them to advantage. Now, all that would be very quickly changed; and you can easily see that it is only a drop in the ocean compared with what we can do. Millions and millions of sheep have been boiled down in Queensland and New South Wales for their tallow. The boiling down establishments have risen like magic all over New South Wales and Queensland, and, of course, that is forced upon us; but that will not continue long when we come to make arrangement for cheap freight, and when we get those large ships built, like the "Gothic" and other ships, carrying 80,000 carcasses of mutton, as I have seen when I was in New Zealand last summer. The lowest rate of freight we can get I think is three farthings per pound, and if they will carry at a rate like that, it will be very satisfactory. Mr. Forrest is perhaps better up in the matter of freight, because he has been discussing those matters; but it will be a great benefit to us to be able to have our frozen mutton carried at the rate of three farthings per pound. I think Thompson's line of steamers have made very favourable proposals to our Government for the freight on butter per month; and we are moving more in that direction, I think, than in the direction of mails. I am afraid that the route across the Pacific and across the Canadian Pacific Railway would not be favourable to anything except mails and passengers. I do not think we can look forward to that route for anything except mails and passengers. I am speaking now for England—for Europe. Indeed, personally, I may say that I do not see very much hope of doing a trade that is worth mentioning with Canada in mutton. You are exporters of beef yourselves; we cannot expect to send you very much beef, and we do not wish to force a trade against your will. We could not do it, of course, if we tried. With the exception of the Pacific slope, we do not hope to do much trade in Canada in that line. With respect to mails, I think that if you had fast steamers across the Atlantic, which would also take a great portion of the traffic that now goes from the United States, New York and elsewhere to the old country, a great portion of that fast passenger traffic would go from Canadian shores to England. Then the mails, no doubt, could be accelerated in their despatch from Australia to London. We in Victoria expect to have some little share of the terminal advantages. I do not suppose we are able to say what we can do in that respect; it is, a matter for the Parliament and the Government to consider; and, no doubt, the boats could arrive there and depart from there as well as from other Colonies; but I am not personally in favour of that local isolated view; I should hope that our Parliaments would rise superior to that, because I consider that, whether passengers leave Australia from Sydney, Brisbane, or Melbourne, we ought not to look too narrowly into the place of arrival or departure; and the same can be said with frozen mutton or other products, because, of course, Australia stands or falls as a whole. It does not stand or fall in an isolated view of the matter; and every advantage that can be gained by Sydney, by Brisbane, by Adelaide or by Melbourne is an advantage to the whole; and it is in that sense that I look upon it.

Hon. Mr. Playford.—Mr. Lee Smith has informed you that he did not expect South Australia or Victoria to join in subsidising the mail route through Canada and the Atlantic. A glance at the map will show we lie at one end of the continent, and our route is by the Suez Canal.

Mr. Lee Smith.—Very largely.

Hon. Mr. Playford.—And I anticipate that that route will be continued, because, whatever you do with the fast service across the Atlantic, and an accelerated service across the continent, and a fast service across the Pacific, you will never be able to come up to the time made by the Suez Canal, for the reason that the present mail service could be quickened a good deal; they could make a week difference in the service; they go along as slowly and comfortably as possible. They do not make time. When I travelled from the Colonies to Naples, from Adelaide, we were not going full speed or anything like it, because we did not want to get to Colombo before a certain time. We met the mails from Hong Kong, Singapore and the Straits Settlements, and we had to meet them on a particular day in Colombo, to deliver their mails to the Australian steamer, which carries them across that part of the Pacific Ocean into Aden, and on up the Mediterranean until they are landed in Italy. I am quite sure that that

line will never be discontinued; it will be the quickest route under any circumstances, and if you want to make it quicker still you can do so and you can save a great many more days by not calling at Colombo at all, but making the Australian service go straight from Cape Guardafui, a place which is at the entrance to the Red Sea; instead of going the two sides of the triangle up to Colombo you need only take one.

Hon. Mr. Foster.—Does it go straight to Colombo?

Hon. Mr. Playford.—Yes.

Hon. Mr. Forrest.—You would save 400 miles; that would be the difference.

Hon. Mr. Playford.—There is no doubt, as far as the Colonies are concerned, we are well served. You have the one mail route, England first to Asia, to carry the whole of the mails for India, for the Straits Settlements, including Singapore, Malacca, and so on, for Hong Kong and for China and for Australia; they all go to Aden; at Aden there is a branch to Bombay; they have a branch steamer running into Bombay; when you get to Colombo the steamer discharges her mails for Madras, Calcutta, the Straits Settlements, and Hong Kong, and she takes the Australian mails on to Western Australia, and along the coast till she reaches Sydney. As has been pointed out by Mr. Fraser, we have been agitated—in fact the whole of the Colonies interested, and more especially Victoria, have been agitated—to get larger cool chambers provided by these steamers. Even leaving out the question of frozen mutton, which would be very likely be better carried in large steamers especially fitted for the purpose, which are not required to go at a great rate of speed, because the more the speed the greater the expense, even leaving that question out of consideration, we have two other products which we ship in large quantities. Victoria sends away butter; that requires to be got to London pretty quickly, because you want to send the butter into the London market at a time when their supplies from other sources are short. We can only do that by sending it quickly. The other article comes from Tasmania; that is fruit, and especially apples. They require quick transit for precisely the same reason as butter requires it, viz., to get them into the London market when apples are an exceedingly scarce commodity. At the present time, these steamers have not sufficient cold storage accommodation, and they cannot carry the whole of the produce we have got by those two lines, apples on the one hand, and butter on the other. Therefore, we are agitating, and we shall insist, in any new contract we enter into with regard to those steamers, that they shall increase their cold storage accommodation, and reduce their high charges for the products. They charge 4*s.* 6*d.* for taking apples from the Colonies to London, for 40 lbs. weight. That is an enormous charge. Under the circumstances, the Colony of South Australia, situated as she is, cannot very well agree to subsidise two lines of steamers; we will subsidise the one that suits us best; but we are absolutely prohibited at the present time from sending our mails by the Pacific route. At the present time, the Pacific rates, either through the United States or Canada, are so high that every letter bearing a twopenny-halfpenny stamp costs the Government fourpence.

Mr. Lee Smith.—How do you pay?

Hon. Mr. Playford.—We pay on letters 1*s.* 6*d.* a pound from our Colonies to San Francisco. Then we have the transit rates through the United States; the territorial rates are sixpence per kilo, and the Atlantic Sea transit five francs per kilo; Canadian rates are two francs per kilo across Canada. On a letter with a twopenny-halfpenny stamp, if we send our mails through either of these routes, we have to pay four; so that we lose very considerably by it. By the other route, it comes to about the amount of the postage, and, therefore, in that route, we do not lose much, if at all.

Hon. Mr. Foster.—Do you subsidise any freight steamers?

Hon. Mr. Playford.—No, we subsidise no freight steamers, and the chances are we are not likely to. Now, there is another agitation getting up in our Colony, and that is this, that we ought to pay very little subsidy, or no subsidy at all, and depend upon the ordinary passenger boats for bringing our mails, because every vessel is bound to carry letters, bound to carry at fixed price to any port she may be bound for, and there is a very strong feeling in our Colonies that, if we subsidise the steamers at all, it will not be so much for carriage of letters in the future as it will be for the carriage of produce, and increase our commerce in that way. Under the circumstances, I say to the Conference that South Australia cannot agree to subsidise any mail line of steamers; we are inclined to make our subsidies for the Suez route, which will be our natural route under any circumstance, as low as

we possibly can, to make it less than we are giving at the present time. There is a strong feeling in the Colonies, that, if we do subsidise it, it will be more by the way of helping them to provide cool quick transit to the European markets than for any other object.

Hon. Mr. Suttor.—In discussing this resolution in the abstract form submitted to us, I think that, in a matter of this kind, we might have been invited to consider some more definite proposal than that submitted to us; and, as we have been invited here to attend this Conference by Canada, perhaps we should not be expecting too much if we looked to the Canadian representatives for some definite suggestions with regard to this proposal, which emanates from them. Now, with reference to the speech just delivered by Mr. Playford. I am inclined to think that all the Colonies are somewhat in the same position as South Australia. They are all fairly well served with their mail service now; although South Australia is in the position, that she gets her mails quicker than we do from the United Kingdom; still, if this mail service is to be established with a view to bringing us all into closer relationship with Canada, it is not unreasonable to expect that all the Australian Colonies should contribute towards the desired end. That my Colony is in favour of closer relations with Canada is proved conclusively by the very fact that we are now the only Australian Colony contributing towards the mail service from Sydney to Vancouver, and, therefore, it is not necessary for me to show how desirous New South Wales is to enter into closer communication beyond mentioning that fact. I think the representative of Canada (Sir Adolphe Caron) rather misunderstood Lord Jersey when he said Mr. Huddart could give him the information; because I think the information Lord Jersey desired was not the cost of the steamers Mr. Huddart was about to construct, but the cost of conveying the mails from one point to the other; that is, taking the cost of the subsidies required to carry out this service, and deducting from that the receipts in the shape of revenue from letters, would give generally the estimated net loss from the service.

Hon. Mr. Foster.—Simply on the mail matters?

Hon. Mr. Suttor.—Yes; I think that could be easily done. If, in future contracts, we are to consider the proposals thrown out by Mr. Fraser and by Mr. Playford, that, in entering into mail service contracts, we are to require that the contracting parties shall provide a certain amount of cold storage accommodation of a particular character for the carriage of goods, and stipulate that these goods shall be carried at a certain rate, I think both these gentlemen will admit they are entering into a new principle with regard to these contracts; and the consideration will be what we are going to expect these large steamers to carry cargo for, rather than what they are going to charge for carrying the mails. I am rather inclined to agree with Mr. Playford that the time is not far distant when we shall be justified in withdrawing all subsidies from steamers, and that the communication between the different parts of the Empire will so increase in the way of mail matter that we shall be able to pay them a certain amount of poundage which will be sufficient to justify these steamers in carrying their mails and continuing the service; but I think that this mail service between Australia and Vancouver stands rather upon a different plane than that, and I am of opinion that, in considering this matter, we should look at it from a national point of view, because, if we are going to bring about these trade relations which we have been called upon here to consider, in order to bring the different portions of this Empire into closer harmony with each other, we cannot do better than assist in the way my Colony is doing by the mail service now in existence. An appeal has been made to the Imperial authorities, and it has been suggested in this debate, that the Imperial Government should subsidise this line on the ground that it ought to subsidise all mail routes in its interests as well as in those of the Colonies. In this particular instance, there are certain claims upon the Imperial Government which should not be ignored. This line from Sydney to Vancouver now calls at Fiji. Fiji has not contributed one cent towards the cost of the line, and yet Fiji is now being brought more directly in contact with New South Wales and the Australian Colonies and Canada than it ever was before. Now, if we are going to continue this service, I do not think we are asking too much in inviting the home authorities to assist in the expense. Here we have a Crown Colony now placed in better communication with the mother country and the Dominion of Canada and the Australian Colonies, and I think, upon that ground alone, the Imperial authorities ought to assist. I am glad to say in reference to the statement I have just made, that I have been informed by Mr. Mercer that there is an amount of 1,500*l.* in the Imperial estimates for a subsidy towards this mail service.

The PRESIDENT.—Is that information you would like to have placed upon the records, or is it for our information simply?

Mr. MERCER.—There is no secret about it. The Secretary of State recently authorised the Colony of Fiji to place the sum of 1,500*l.* in the estimates for the current year.

Hon. Mr. SUTTOR.—I have been informed that there is a sum of 1,500*l.* to be submitted to the Imperial Parliament for their consideration.

Mr. MERCER.—That is a Colonial estimate, a Fiji estimate.

Hon. Mr. SUTTOR.—Voted by the Imperial Parliament?

Mr. MERCER.—No.

Hon. Mr. FOSTER.—As a Crown Colony, the Imperial authorities would authorise the Colony of Fiji to place 1,500*l.* in the estimates.

Hon. Mr. SUTTOR.—I am informed that the Fiji Government is prepared to pay 1,500*l.* towards subsidising this line. I am glad to hear it. Although we are considering this question from a general point of view, we cannot ignore the fact that New Zealand is desirous of having this line call at one of her ports. Although I did not catch Mr. Smith's statement exactly, I thought that was his proposal.

Mr. LEE SMITH.—I absolutely avoided any reference to route or the interests of any particular Colony. Of course, I am going to speak on that matter when we get into particulars.

Hon. Mr. SUTTOR.—If on another day we are going to discuss the matter in a more definite form than now, I think I had better reserve my remarks till that time.

Mr. LEE SMITH.—It would never have done for me to have come here, until after the general discussion, to propose a definite plan. I thought it very probable that the Canadian Government would suggest something.

Hon. Mr. SUTTOR.—If we are going to debate this now as a general principle and later on some proposition is going to be made of a definite character, I will not now discuss the different proposals that may be made with regard to this route. I am prepared to discuss the question, after the statement of Mr. Smith, from a national point of view. We cannot expect it to be a successful mail service if it is not going to accelerate the transmission of our mails between England and Australia, and I think we must all agree that it is desirable that this mail service should run in the most direct line possible between Vancouver and Australia. That being so, it would be ridiculous to suggest that the service should take in one or another point which in every case increases the distance. I am quite prepared, if we are going to discuss this matter later in a definite form, to let it stand just now. It is a pity if we are going to take up the whole morning discussing it on general principles and then occupy a whole day later discussing it in a definite form. I think we might have some definite amendment now.

Hon. Mr. THYNNE.—I think it would be better to wait until the matter is discussed in detail. Then I shall be prepared to discuss the matter more effectually. I can only say this: that we have heard several of the different Colonies put forward their idea, and it will be quite apparent to those who do not belong to the Australian Colonies that, in our present condition of separation from each other, it will be very difficult indeed to bring the Australasian Colonies together in line upon any one proposal until we are in a position to deal with a question of this kind as one large question between Australasia and Canada. It is a very difficult thing indeed for us to bring our diverse and separate interests into joint action. We have heard the Western Colonies, South Australia, and probably Western Australia, say: "We can have nothing to do with this line, it does not touch us." We have Victoria saying that it may not help them, but if the steamers will touch their ports they will be prepared to consider the question of support, and, without that, very probably there will be difficulty in persuading the government to support it. New Zealand wants to know whether this line is going to call at New Zealand at all.

Mr. LEE SMITH.—I never alluded to that.

Hon. Mr. THYNNE.—My friend is careful to refrain from that. His refraining from mentioning that strengthens my view as to what New Zealand wants. I do not think that Queensland is any worse than the others. We have our Parliament to consult. If the Government of Queensland desires a mail service to Canada, we are prepared to go as far as we can, but the details, I think, should be left until the definite discussion takes place. I do not think any one can claim any great amount of patriotism in this matter. The governments are in the position that they have to please the constituencies they

represent in their own province. Beyond an expression of the general desire to support this as far as our governments possibly can do, I do not think we can add anything more.

Hon. Mr. Foster.—I have been pleased so far with the discussion that has taken place and with the general interchange of opinions that we have heard. Of course, Canada is very vitally interested in this, her position being in this respect much the same as the position of some of the Colonies of Australasia on the cable; that from a selfish point of view her interests are much larger. I do not think that we who represent Canada here can at all fail to appreciate the expression of sentiment which has been given by the representatives of the different Australasian Colonies, that have spoken. There is no one of them but has evinced a sympathy with the alternative route. I think we may take that for granted. All parts of Australia would be favourable in so far as that goes to the establishment of an alternative route *viâ* the Pacific Ocean through Canada to Great Britain. While we all agree upon that, I think it is of a very great deal of importance for the whole undertaking that the Conference should agree upon some expression or some particular opinion as regards it. I am trying to feel my way as to what would be the terms of resolution upon which we can agree. We can all agree, as far as expressing our sympathy with the undertaking is concerned. There are certain large advantages, from an Imperial point of view, which would be gained by establishing the alternative route. The very arguments which took place with reference to the necessity of an alternative cable route through a British territory, as regards times of upheaval and war, would apply to the alternative mail service which goes entirely through British territory and touches at British ports and through a comparatively peaceful ocean—the Pacific Ocean. So that, as far as that is concerned, the Colonies are interested in the Imperial point of view, to a certain extent, selfishly, because if upheaval did take place, and the Suez service was interfered with, this alternative line would be of great importance to these colonies. We can all agree, then, that as far as that aspect—the Imperial and large intercolonial interest is concerned, benefit would come from the establishment of that alternative route. Then, again, I think there is something else upon which we can all agree, and the Australasian Colonies themselves are mutually interested in it. If by the establishment of a route from Australia *viâ* Canada to Great Britain, a saving of time can be made over and above what is made now, an alternative competing route can be opened up, even South Australia and all the other Colonies lying on that side, would reap the benefit from the improvement in the service, the improvement in time, and the competition which will take place in rates, because there will be active competition without doubt. The whole point that is very strongly urged is that the swiftness of a fast service would be of a great advantage over the existing routes. That will spur on the existing route and in this competition there will come a great advantage to the Australasian Colonies in a direct way. Therefore, I suppose it is not difficult to agree to ask the sympathetic consideration, and every possible co-operation, of the Australasian government and the interests of the Australian Colonies and Canada would not be very far apart. These are points upon which we can certainly all agree. We have some claims and some grounds upon which we can approach the British Government in this respect. Very kindly indeed she has met our representations in reference to the China service and she has put her hand into the treasury, and assisted that service jointly with Canada. She gives very largely for the mail service crossing the Atlantic to-day. It would not be at all out of the way for her to consider, as circumstances will allow, at least, the diversion of a certain part of that service for which she pays across the Atlantic to come *viâ* this new line. There is, I think, the very great advantage over and above all this which may be put before the British Government, the advantage of having upon the Pacific—which is to be the ocean of the future, which is to be of far greater growing importance in the future than in the past—I say, it would be a great advantage in the Admiralty point of view, that vessels of the class which would be built to carry on this service could be fitted up for armed cruisers to be established on that ocean in case of war. That is more easy, because it is the settled policy of the British Admiralty to take advantage of the mail steamers in that way. Well, taking all these things into consideration, with the larger interests as well as the smaller interests, it seems to me that we have a fair case on which we can beg the consideration of the British Parliament. Now, I submit, that we might agree to a resolution like this: expressing in the first place our united sympathy with the establishment of an alternative line, declaring our willingness, so far as we reasonably can, to assist the enterprise, and to ask of the British Government a sympathetic consideration of aid for the service.

Queensland has expressed her sympathy and her disposition to assist if it could be reasonably done. Mr. Thynne has very well given an expression of it in a few words, and Mr. Suttor and Mr. Lee Smith will find no difficulty. One has already given tangible proof of his practical co-operation, and, if the matter of ports could have been arranged, I understand Queensland would be in the same position with reference to it. New Zealand has a large interest in it, because it would open to her a mail service of great benefit, and Fiji has practically shown her interest by the way in which she proposes to put an amount in her estimate. I think we may easily come to a conclusion on these lines and draft a resolution which will meet the views of this Conference, which I am sure will have great weight with the British Government. Canada has strained herself almost to the utmost in these matters. What have we done? I might mention—not in any boasting way—that she has taken a strong view in that particular. After we had developed our country to a certain extent, we decided that what we needed was to stretch out the arms of communication to all the different outlying countries where we could possibly make good interchange and communication; so we have put our hands in our pockets to the tune of $73,000 for the Hong Kong service. That we paid for our communication with China and Japan. We have subsidised a new steamship line to Australia by a vote of 25,000*l.* sterling—a large subsidy. We have opened communication with the West Indies, and which the West Indian Colonies contributed not one farthing to furnish. This has cost us considerably over $100,000 a year. We have come to the conclusion, and will ask Parliament on Monday or Tuesday next to ratify that conclusion, that for this fast Atlantic service to which in a certain extent we are bound by previous communication with Great Britain, because Great Britain gave to the China and Japan line largely with a view that we were going to have an accelerated Atlantic service—although we first voted half a million of dollars a year, which we thought a large subsidy—we will go still further, and vote $750,000 per year for ten years and $300,000 per year for ten years thereafter, for a proper kind of Atlantic service between our shores and Great Britain. I think that is a practical sympathy, which, on the whole, runs up closely to a million and a half of dollars which when these services are all completed we will be paying for steamship purposes alone. That is a large amount, considering our revenue. We have, therefore, shown our view by the heavy subsidies which we have either given or which we are about promising to give. Consequently, the Conference will see that we are deeply interested in this matter, and if the Conference can pass a resolution, something on the line of which I have spoken, to assist our plea that the British Government should enable this communication to be carried out in its entirety, we shall be pleased indeed. After all, what a grand thing it would be to circle the globe with a British service, because that would be practically encircling the globe with a British service! Then a man in London can simply buy his coupon tickets for Sydney or any of the Australian Colonies and stop off where he pleases, in crossing the continent, because the line will be one continual service. It would be practically beneficial in the point of prestige, which is also a strong argument in its favour. It would bind together very greatly the Colonies and the mother country in that unity of interests which we all agree is essential for the permanence and stability of the Empire. I just make these few general remarks and I am glad to have heard such unanimity of opinion on this important matter, and I hope we will have a resolution of this Conference in favour of that general line of communication.

Sir Henry de Villiers.—The delegates from the Cape of Good Hope have taken no part in this discussion, for the obvious reason that we are not directly concerned in this service. I think, so far as we are concerned, it would be against our interest to encourage the steamship service between Canada and Australia, but we are inclined to take the Imperial view of this question. We think we ought not to say a word which might stand in the way of communication between Australia and Canada being increased in the future. At the same time, we hope that we shall not lose entirely trade which has existed round the Cape of Good Hope, hitherto, between Australasia and Great Britain. We hope that, in spite of any subsidies which may be given, the trade round the Cape of Good Hope between Australia and Great Britain will continue. At all events, we are not going to ask the Imperial Government or this Conference for any subsidy. It was at one time prognosticated, when the Suez Canal was made, that we should lose the trade round the Cape of Good Hope. That has not been so. The Cape of Good Hope has maintained its position, and I have no doubt the Cape of Good Hope will still be able to maintain its position, notwithstanding increased steamship communication between Canada and Australia.

Mr. Lee Smith.—This is a very good time for me to enlarge the scope of the discussion, after the remarks which have been made as to the abstract nature of the proposition which I have submitted to this Conference. I admit I am somewhat surprised at the criticism that has been made, as all our discussions have been of an abstract nature and this question was brought forward purposely in this way to meet the views of the Conference. I think it would be of interest if I lead the way and explain to the Conference what I think my Colony is prepared to do. I am going to take some responsibility on my own account regarding a matter which my Government as yet knows nothing about, but which I think, after hearing my explanation, my Government will agree to. Now, sir, a few remarks have been made as to New Zealand. Mr. Thynne has stated that New Zealand has a greater interest in this question than any other Colony. I will admit at once that I do attach a great deal of importance to it, and I may say at once that my Colony is prepared to give a very liberal subsidy towards this mail service. I will tell you what it is, Mr. President. We will give 10,000*l.* straight out, if the service call at Auckland, on its route to Sydney. I am sure it will make a difference of thirty hours only between Vancouver and Sydney, but more than that, as it has been suggested that this question could be looked on very largely from an Imperial point of view—and I agree with that cordially, seeing that we have thought so much of the desirability of making the communication between our Colonies and the mother country from an Imperial point of view—I will go further. I will recommend my Government to give 1,500*l.*, from that point of view, if the other Colonies disregard this question altogether from trade connection but as an Imperial service, and recommend their Colonies to do the same things.

Lord Jersey.—As a supplemental?

Mr. Lee Smith.—Yes, my Lord, from an Imperial point of view, and that will test whether the other Colonies are desirous of giving force to their remarks that there is an Imperial aspect to the question. If they will not do that, the Imperial point of view of the question vanishes into thin air. We will give 1,500*l.* a year, which we might regard as a subsidy given on purpose to promote, so far as we can, the consolidation of the Empire.

Lord Jersey.—Hear, hear.

Mr. Lee Smith.—Always understanding that the British Government assists the Canadian Government in a manner to enable this service to be what we hope and expect it will be. It will not be satisfactory to us unless it is equally as good as the service *viâ* San Francisco as regards the connection across the Atlantic. I throw this suggestion out as hon. members have thrown down the gauntlet in a straight manner, expressing the opinion that the matter should be considered from an Imperial point of view.

Hon. Mr. Fitzgerald.—Is this offer contingent upon the necessity of these mail steamers touching a New Zealand port?

Mr. Lee Smith.—They must stop at Auckland.

Hon. Mr. Fitzgerald.—Would not the connection with Auckland involve a lengthening in the time of the passage to a port on the Australian continent to Vancouver?

Mr. Lee Smith.—It makes a difference between Vancouver and Sydney of thirty hours.

Hon. Mr. Fitzgerald.—It is more like 48 hours.

Hon. Mr. Suttor.—It is 800 miles on the map.

Hon. Mr. Fitzgerald.—This 48 hours destroys entirely the advantage as regards speedy communication between the other Colonies and Vancouver, and consequently the offer of New Zealand will affect rapidity of mail carriage.

Mr. Lee Smith.—Mr. Fitzgerald does not describe my attitude fairly. I only ask that the other Colonies give 1,500*l.* a year from an Imperial point of view, and it is immaterial from that aspect whether it is one or two days later or not. I know that the present Postmaster-General of New South Wales, at the Conference held in Wellington last March, said that they regarded this more from a trade point of view than the mail service, and they would not object to the steamers calling at Auckland. If we were asking Southern Australia, or Tasmania, or Queensland to give 10,000*l.* to it, then Mr. Fitzgerald's answer would be proper. When I am only asking to give this vote on the Imperial aspect of the question, then I think Mr. Fitzgerald's remarks are

not at all applicable. In this aspect it does not matter whether it is one or two days longer or not. I am going altogether beyond my power with regard to this 1,500*l.*, but I feel perfectly sure, when I explain to my Government the reasons why I have done it, they will at once endorse what I have done.

Sir Adolphe Caron.—With the permission of the Conference I would prepare a proposition, which I would submit to Mr. Smith, Mr. Suttor, and the other gentlemen, and we would try to arrive at a satisfactory conclusion on this question. Then I would submit it to the Conference on Monday morning. It would be the practical way of dealing with it, because we have heard the views already expressed, and I think, by consulting together, it may be possible to arrive at a conclusion that would be satisfactory to the Conference.

Hon. Mr. Thynne.—I might be permitted to add what I said a little time ago on the general question. Reference was made to the Queensland mail service, which is said to be one exclusively for Queensland. That is so. Queensland has subsidised a mail service on the British India steamers with the old country. That mail service is the quickest mail service at the present time in existence for a part of Queensland—the northern portion of Queensland. Of course, you all know we have a very long coast line in Queensland, and it takes a very considerable time going from the north to the south—some 1,500 or 2,000 miles. As a mail service for about one-half of the northern half of the coast line of Queensland, it is the quickest service available; as regards the rest, it is also a very useful service, because it is a cargo service as well as a mail service, and we have come in Queensland to look upon the question of subsidising lines of steamers as a cargo service, and not altogether as a mail service; and this is a question which may come up as a practical solution before very long, that to encourage our trade we may be giving subsidies to lines of steamers not only from the point of view of a mail service but the point of view of benefiting the country by a reliable and steady means of exporting perishable goods especially. I mention this for two reasons. Queensland now subsidises to the extent of something under $20,000 for a mail service which could not be supplied by another subsidy to other lines—which the other lines are not capable of supplying. I mention this to let the members of this Conference understand that the Government of Queensland always has a rather difficult matter to adjust, because the claims of the different portions of the Colonies have always to be considered and adjusted in dealing with propositions to benefit one portion. We have to consider the feelings and influence as well as the political influence of the people of the other provinces.

The President.—Do I understand you to say that the mail service you now subsidise could not be secured by any other route?

Hon. Mr. Thynne.—The quickness of the service to the northern portions of the Colony which we get by the Queensland mail service could not be supplied by any of the other subsidised lines at the present moment.

The President.—Would it not be supplied by a direct fast line from England *viâ* Canada across the Pacific?

Hon. Mr. Thynne.—The fast line would touch at some place which would supply the whole of the Colony.

The President.—Would not the line touching Brisbane accomplish the same object?

Hon. Mr. Thynne.—Not quite to the same extent.

Lord Jersey.—Although there might be very good reasons, from an Australian commercial point of view, in some of the arguments which have been advanced, still the great point before the Conference is the mail service. The Imperial Government could not be expected to look on this question from a commercial point of view. They might look at it from an Imperial point of view and the postal point of view, and I venture to think, if the Conference is going to base its ground upon cold storage, and things of that kind, they will probably lose a good deal of support they might get otherwise.

Hon. Mr. Forrest.—I had not any intention of speaking further at the present time until I heard the remarks that have fallen from some of the latest speakers. It is just now possible, however, that a motion will come before us that we can agree to without any discussion. So far as a mail service between England and the Australian Colonies is concerned, I think, in point of time, it will be very difficult, if not impossible, for the Vancouver service to compete with the Suez route, and the time by latter

route can easily be reduced. There is no better way of understanding the position than to get at the facts, and there is no better way of getting at the facts than to relate them exactly. I have only recently come from Australia *viâ* London to Canada. I travelled in one of the new P. and O. ships, the "Australia." When travelling between Albany and Colombo we did not travel at full speed, because there was nothing to be gained by it. The captain then had to wait at Colombo for the China and some of the Indian mails. We were three days at Colombo. The "Australia's" best speed is 17½ knots. We lost 18 hours at Aden waiting for the Bombay mail, The P. and O. Co. have on the stocks at the present moment, and will have on the sea within four or five months, a vessel to carry mails to Australia. She is a 20-knot boat, and she is only one of a certain number. I need not go over the ground pointed out by Mr. Playford. He has shown the Conference, if you go direct from Aden to Australia, we can shorten the routes by the present ships at least five days. Speaking for myself, I do not see really that Australia has much to gain by this service as a mail service. There is no good shutting our eyes to it, other people will see it. I do not think it will be of any great service to us and, in this connection, I would like to refer to what has been said that if we had this line in times of trouble we would have safety, and that the same arguments that were advanced with regard to the cable might be advanced with regard to the mail service. This is not the case, with all due respect. If we had the cable, and could keep that open, it would not make very much matter whether we had any ships on the sea at all, under the conditions of war. In fact, in these days, whether the battles are on sea or on land, they are short, sharp, and decisive, and the chances are the whole trouble would be over before we could get word by the mail steamer. Therefore, as far as this question of safety is concerned, if we had a cable and kept in touch with Great Britain, it would not make much difference whether we had ships or not.

Hon. Mr. Thynne.—The cable is the most important.

Hon. Mr. Forrest.—The cable, to my mind, is of far greater importance as far as Imperial connexion is concerned, but, at the same time, I cannot rest here believing as I do that we should have better trade relations between the Australian Colonies and these great provinces here. I forget the exact figures, but if I remember rightly the trade with Australia last year was only about $100,000.

Hon. Mr. Foster.—It was far more than that.

Hon. Mr. Forrest.—At all events, it is a very small trade.

Hon. Mr. Foster.—It is quite a respectable trade for a beginning.

Hon. Mr. Forrest.—I would like to see that trade increase, and we all know that a freer means of conducting trade often creates trade, and, therefore, I would be very glad to see something done in the way of starting a subsidised service between the Australasian Colonies and Vancouver. I would like very much to hear some expression of opinion from the Canadian delegates, who thoroughly understand the question, how this trade is to be carried to any very great extent between the Australian Colonies and the Canadian Dominion by way of what is called its western gates. There is not, I understand, any great extent of good country to be opened up at the western side; at all events the bulk of the population is on the eastern side, and I fail to see how we can carry on a trade successfully by sending goods about three or four thousand miles by rail from the western coast to the population. It may be that the cost of conveying the goods can be reduced to such a rate that it can be carried on. I would like to get some information in that connexion. I know that you do charge very low rates. Our neighbours across the borders have reduced railway rates until they are almost as cheap as water rates.

Hon. Mr. Foster.—Freight carriage in the east is more than divided between the railways and Erie canal.

Mr. Lee Smith.—It appears to me that I have offered to give this money to the extent of 1,500*l.* on the supposition that we are to have a mail service leaving New Zealand as the last port of call. I would recommend, to test this idea of confederation and love for our mother country, that that be given also by the other Colonies.

The President.—Is it not advisable now to pass this motion? It simply says that it is advisable to take this question into consideration. It has been fully discussed. I may state that Mr. Huddart is here and we might as well hear him.

Hon. Mr. Forrest.—I wish to point out that, if we establish a line of steamers with Canada, we hope to increase our correspondence with Canada. If we are not

going to increase our trade and correspondence with Canada what is the use of establishing steamers? In this connexion, I think we would be entitled to Imperial sympathy.

Mr. James H. Huddart was then invited to sit with the Conference.

The PRESIDENT (addressing Mr. Huddart).—Mr. Huddart, the Conference has been discussing the fast Atlantic line and also the connexion with Australia from Vancouver. Some questions have been asked with reference to the probable cost and what subsidies you would think would be necessary in order to make it a success. You might give the Conference whatever information you desire on this matter. Of course, it must be approximate to a certain extent.

Mr. HUDDART.—There are two propositions as regards the Pacific line. One is to make the present monthly service into a three-weekly service, taking in for the present the subsidising governments and the port of Auckland, and then Fiji and Honolulu as at present. That can be done all the year round quite easily and readily with three steamships. There is another proposition: on the Pacific to have three steamships, but to make the sailings more frequently, at least during half the year, say three-weekly, or, if business justified it, three steamships might make the service all the year round three-weekly. Then there is the larger project of making Canada the great Imperial or alternate highway between the United Kingdom and Australia and the islands of the Pacific. On the Pacific, that would involve five steamships of a high rate of speed. That project is taken up in connexion with your proposed swift Atlantic steamship service, and your Government, the Canadian Government, are prepared to subsidise a steamship company to the extent of three-quarters of a million dollars per annum. I may say here, that the success of the Atlantic service depends almost entirely upon the British Government. Four boats will have to be provided, capable of steaming in ordinary Atlantic weather all the year around 20 knots at sea. In order to maintain that as a through service from Sydney to England, these four Atlantic boats will make a weekly service on the Atlantic, and five steamships will make a fortnightly service from Sydney on the Pacific. That would involve subsidies from Australia of at least 50,000*l.* sterling per annum.

Lord JERSEY.—From Australasia?

Mr. HUDDART.—Yes, my Lord.

Lord JERSEY.—In addition to the Canadian subsidy?

Mr. HUDDART.—In addition, of course, to the Canadian subsidy and in addition to the Imperial subsidy. These nine steamships would be a great cost. The capital that would be required for that number would be 3,000,000*l.* sterling.

Hon. Mr. FOSTER.—That is for the larger project?

Mr. HUDDART.—Yes.

Lord JERSEY.—Do you mean including the Atlantic and Pacific?

Mr. HUDDART.—Yes, the project is, my Lord, to have the thing under one management.

Lord JERSEY.—Do I understand the company would require a capital of 3,000,000*l.* in order to carry out the two lines of steamers—a fast line from England to Canada and a fast line from Canada to Australia?

Mr. HUDDART.—That is, my Lord, in connexion with the larger project of a fortnightly service on the Pacific and weekly service on the Atlantic.

The PRESIDENT.—Five steamships on the Pacific and four on the Atlantic; a weekly service on the Atlantic and a fortnightly service on the Pacific. That is the larger project.

Sir HENRY WRIXON.—Is that to go all the year round—winter and summer?

The PRESIDENT.—Yes, all the year round; Halifax or St. John are our winter ports.

Lord JERSEY.—Have you data as to the regularity of the steamers now going to Halifax in winter?

The PRESIDENT.—They are smaller boats; yet you can calculate their time to half a day in winter.

Mr. HUDDART.—That can be done on a capital of two and a half million pounds sterling from England to Australia, with three steamships on the Pacific.

The PRESIDENT.—You have asked from the British Government, in addition to the other subsidies, 25,000*l.*?

Mr. Huddart.—That was before we took up the Atlantic scheme. We are asking the British Government to consider the Atlantic scheme, conditional that the steamships conform to the Admiralty requirements.

Lord Jersey.—What is the total amount of subsidy you ask from the various parties for the first-class steamers?

Mr. Huddart.—For the larger scheme 300,000*l.*, divided up;—on the Atlantic 150,000*l.* sterling, as proposed, 25,000*l.* sterling which is now paid on the Pacific—both by Canada—which remains untouched, the Imperial Government 75,000*l.*, and the Australasian Governments 50,000*l.*

Lord Jersey.—Have you not anticipated that this will be run at a great loss, as that would be 10 per cent. upon the estimated capital?

Mr. Huddart.—These subsidies are only proportionate to the subsidies already being paid by the Imperial and Australian Governments.

Lord Jersey.—That is not an answer to my question. The question is: Do you anticipate the line to be run at a great loss, because you see it is a pretty good guarantee?

Mr. Huddart.—These subsidies for the first period will be absolutely necessary for the success of the scheme.

Lord Jersey.—Why?

Mr. Huddart.—On account of its being a new and costly service at the start. There is no such service in the world.

Lord Jersey.—Can you form any idea of the probable receipts?

Mr. Huddart.—Yes, we have formed our ideas and we anticipate that these subsidies will be required for the first decade.

Sir Henry Wrixon.—How long do you contemplate these subsidies should run?

Mr. Huddart.—Ten years.

The President.—(To Mr. Huddart.) I may say anything you say here can be considered confidential, if you so desire, and any reference to your scheme will be eliminated from the official report if you do not require it to go in, because that is the principle upon which we have conducted this Conference. Many things are said which we do not care about getting into the newspapers.

Mr. Huddart.—That is the result of our calculation. I did not bring the papers with me to America.

Hon. Mr. Playford.—Do you wish that to go to the public?

Mr. Huddart.—It is no secret. It is a public question. I shall try to answer any questions you may put to me.

Hon. Mr. Forrest.—I thought I heard you answer to a question that it would require 300,000*l.* in subsidies?

Mr. Huddart.—Yes, for the larger scheme.

Hon. Mr. Thynne.—Can you divide the estimate of the proportion between the Pacific portion and the Atlantic portion? Can you say what amount you proportion of the 300,000*l.* between the Pacific and the Atlantic?

Mr. Huddart.—That is not easy, Mr. President. If you take the larger project, where you expect to have fortnightly mails as between Australia and Great Britain, we will take half their mail. New South Wales has already given us 10,000*l.*

Hon. Mr. Thynne.—It might be convenient for the Conference to have that information. How would you divide the proposed estimate of the proposed subsidy between the two branches of the service?

Mr. Huddart.—I think it is set out in that paper of Sir Charles Tupper how it is divided at present. It is merely a matter of book-keeping between the London and the Australian offices.

Hon. Mr. Thynne.—You ask for 300,000*l.* in subsidy. How much do you ask for the proportion of the Pacific line and how much on account of the operation of the service on the Atlantic?

Mr. Huddart.—The one is joined to the other. If that question be asked me in connexion with the larger service it must be dealt with as a through route, and I cannot divide it.

Hon. Mr. Foster.—Will you give us the figures as to the smaller project. That would be a monthly service on the Pacific, possibly three-weekly after a while, and the weekly service on the Atlantic.

Mr. Huddart.—We have been disappointed in our subsidies. New South Wales and the Canadian Government have the credit entirely for the success of this line. We asked at the outset the same amount from Australia as Canada gave, namely, 25,000*l*. We asked for that, and we are still waiting for it.

Hon. Mr. Foster.—Of which New South Wales gave 10,000*l*.

Mr. Huddart.—Yes, New South Wales gives 10,000*l*. sterling.

Hon. Mr. Foster.—That leaves 15,000*l*. to be provided yet, and New Zealand would give you that.

Mr. Huddart.—New Zealand has already made an offer informally. I should like if this Conference could express an opinion as to the desirability of our taking up that route.

Hon. Mr. Foster.—What is your view as to the practicability of taking in Auckland, with reference to the success of the whole through route in point of time?

Mr. Huddart.—Mr. President, if you are considering now the smaller project, I think it is wholly in favour of going to New Zealand. New Zealand is a third Colony of the Empire, looking at it from a federal point of view, and it would give to them an improved mail service. We should get at once half their through mails and I know that passengers follow the mails. We should open up a great trade route in competition with San Francisco, which has been doing a subsidised business for 25 years. That will give Canada an opportunity of opening up trade there and increasing the trade possibilities with Australia.

Hon. Mr. Foster.—There is no doubt, it seems to me, as to the value of that connexion. How long will it take to make that connexion as a deviation from the present route?

Mr. Huddart.—We started out never intending to make Sydney the last port of call in Australia. It was intended to be Queensland. We started out intending to call at Moreton Bay. We had to abandon that after two or three months, and the addition in hours to this route in calling at Auckland instead of Moreton Bay would only be 36 hours. It will be 60 hours to Sydney as against the present direct route to Fiji, roughly speaking, but as against Moreton Bay it will be 36 hours.

Hon. Mr. Forrest.—It took us 4 days 12 hours from Sydney to Auckland. 60 hours will not do it. It will take nearer four days than three days.

Hon. Mr. Sutton.—From Sydney to Fiji is 1,650 miles, from Sydney to New Zealand is 1,280 miles, and from New Zealand to Fiji is 1,172 miles, and that will increase the distance by 803 miles if you go round by New Zealand instead of going to Sydney, and then there is the time for discharging or shipping cargo.

Hon. Mr. Foster.—It will take the most of three days.

Hon. Mr. Sutton.—One of your strong arguments is that you ultimately hope to deliver the mail between London and Australia quicker than by any other service?

Mr. Huddart.—For New Zealand, Sydney, and Queensland particularly.

Hon. Mr. Foster.—You can do that and take Auckland in?

Mr. Huddart.—I think I have shown that.

Hon. Mr. Sutton.—It will take you at least between 70 and 80 hours longer than going direct by way of Fiji. How long would you lie at Auckland?

Mr. Huddart.—I reckon 12 hours at Auckland.

Hon. Mr. Sutton.—So it will take you 70 hours extra time if you go round to New Zealand instead of running direct to Sydney as at present. Would it not interfere with your desire to establish more rapid communication between England and the Australian Colonies than at present?

Mr. Huddart.—That is unavoidable. There is no use running with empty ships, if you can get a big trade with New South Wales and New Zealand, Australia, generally, and Canada. I touch upon the New Zealand point in my paper.

Hon. Mr. Sutton.—You must argue from your rapid mail point of view or the trade point of view. Which shall we consider it?

Mr. Huddart.—I submit, in the interests of Australia, we should have a rapid mail service and we should not ignore New Zealand. We have to remember that by going to New Zealand we do business with 750,000 people and get half their mails.

Mr. Lee Smith.—Supposing you call at New Zealand, how long do you calculate it will take you to deliver the mails from England to Sydney? What is the present time from Sydney to London by the P. and O.?

Hon. Mr. Suttor.—33¾ days, or say 34 days.

Mr. Lee Smith.—Can you take New Zealand in and do it in 34 days?

Mr. Huddart.—Yes, if we get paid for it.

Mr. Lee Smith.—I was asking Mr. Huddart what time he would occupy from London to Sydney?

Mr. Huddart.—In answer to that question, we are prepared, if New Zealand gives a sufficient subsidy for three steamships, to do it in the time it is now being done by the Suez route.

Hon. Mr. Foster.—In as quick time as is now being done by the Suez route?

Mr. Huddart.—Yes, we would gain on that, if we got our swift Atlantic service in addition.

Mr. Lee Smith.—I am asking, supposing the Atlantic service were in operation?

Hon. Mr. Foster.—The answer would be that it could be done in less time than the Suez route.

Mr. Huddart.—What we say here is this:

Thus there is every probability of having on the Pacific within a reasonable time a fleet of large Royal Mail steamships which shall convey the mails to and from Vancouver and Australia as swiftly as is likely to be done for many years to come *vid* the Suez route, in addition to placing armed cruisers at the command of the Admiralty in time of war. With such a service working in conjunction with the proposed steamship service between England and Canada, it is certain that within a limited period British mails shall be delivered in Australia within 28 days, or, if the New Zealand route be adopted, within 26 days to New Zealand.

Mr. Lee Smith.—That is what I wanted to bring out. If all the Australian Colonies gives subsidies we will establish first-class steamers with the fast Atlantic service. We can get a shorter time service than we have now, but it is not obtainable without universal action on the part of all the Australian Colonies which must join in it.

Lord Jersey.—You take five days from Great Britain to Canada?

Mr. Huddart.—Yes, my Lord, five days.

Lord Jersey.—Does that mean to take the more northerly route than the New York steamers take now during the winter and early spring?

Mr. Huddart.—That is the ordinary Halifax route taken by the present steamships.

Lord Jersey.—What is this mileage?

Mr. Huddart.—It is about 2,400 miles.

Hon. Mr. Fitzgerald.—What is the port for landing the mail?

Mr. Huddart.—The port to my mind is Halifax.

Hon. Mr. Fitzgerald.—The one in Great Britain?

Mr. Huddart.—That is not fixed.

Hon. Mr. Foster.—You can take a south of England port which has a good many advantages and with 20-knot vessels you can make Halifax within five days.

Lord Jersey.—Is there any intention of these steamers calling at a French port?

Hon. Mr. Foster.—No, there is to be a cross service.

Hon. Mr. Forrest.—Can you do that all the year round?

Hon. Mr. Foster.—Yes.

Hon. Mr. Suttor.—The records of the P. and O. steamers between London and Sydney are, the lowest 31 days and the highest 36 days.

Sir Henry Wrixon.—Is it contemplated to have these vessels call at Melbourne at all?

Mr. Huddart.—That is a question I can hardly answer. I must honestly say that the position I took in Melbourne eighteen months ago stands good to-day. There is not much good calling at Melbourne, seeing that there is one or two trains a day and steamship connection with Sydney. Any subsidy that the Victorian Government has hinted at would not pay for the coals you use taking a ship there and back.

Hon. Mr. Suttor.—In the event of this larger scheme of yours failing, what do you propose to do?

Mr. Huddart.—We intend to follow our present contract to the letter. Anything we are discussing now is entirely with the consent to be obtained from the Canadian and New South Wales Governments.

Hon. Mr. Suttor.—In the event of your receiving 10,000*l.* subsidy from New Zealand and Queensland, these two Colonies agreeing, do you feel you have the right to take the whole of these subsidies? Do you think not the whole system of subsidies should be recast?

Mr. Huddart.—The answer to that is, we cannot contemplate at present for a minute going to New Zealand for any such subsidy as 10,000*l.* particularly.

Hon. Mr. Suttor.—Do you mean to say it would not pay you if you have to go round for that?

Mr. Huddart.—No, there is no possibility.

Lord Jersey.—Do you find the trade increasing every three months?

Mr. Huddart.—Yes, it is steadily increasing.

Hon. Mr. Forrest.—Then, assuming that Queensland subsidised you, of course you would not get any subsidy unless you enter into a contract to deliver mails in a certain time.

Mr. Huddart.—We cannot alter the present mail contract.

Hon. Mr. Forrest.—I did not finish my question. Speaking about subsidies, you have already got one from New South Wales. If you get one from Queensland can you give these two Colonies a guarantee that you will deliver the mails as quickly as they are done at the present time by the Suez route?

Mr. Huddart.—That is provided for at the present time in our contract with New South Wales and Canada. I cannot depart from the terms with Canada and New South Wales at present. There is in addition a time allowance for calling at Moreton Bay. That would have to be with the consent of both sides.

Hon. Mr. Forrest.—Would that increase the time over the Suez route?

Mr. Huddart.—There is 36 hours allowed for calling at Moreton Bay.

Hon. Mr. Forrest.—Is that 36 hours in addition to the Suez time?

Mr. Huddart.—I do not know how it comes out with the Suez time at present. If Brisbane put her mails on board promptly, it would certainly be the quickest route at present.

Hon. Mr. Forrest.—I would not insist so much on the question of time, but I think that this matter will be dealt with as a mail route.

Mr. Huddart.—I want the delegates to understand that at present we are not masters of the position. We have just lost three days at New York with our mails. Col. White has informed me that they were not sent away by the boat they expected and until Canada gets the direct service, we cannot say exactly when they may leave an American port for Engand.

Hon. Mr. Foster.—If we had the Canadian route, the same train on which they put the mails at Vancouver would take the mails to the ship's side either at Quebec or Halifax.

Mr. Huddart.—That is the programme.

Hon. Mr. Suttor.—I want to ask Mr. Huddart one or two important questions. You say it would not pay you even for the New Zealand subsidy to divert your route for 10,000*l.*?

Mr. Huddart.—No, not for that subsidy.

Hon. Mr. Suttor.—In view of encouraging New Zealand to do something, what extra amount would you require to alternate with the existing 'Frisco service. Could you fall into some arrangement by which you could alternate your service with the 'Frisco service?

Mr. Huddart.—It is very desirable, but it involves another ship.

Hon. Mr. Suttor.—You decline to go to New Zealand direct, but suppose you alternate with the 'Frisco service, do you think a branch system between New Zealand and Fiji would be established by the former Colony?

Mr. Huddart.—It is just impossible to do it with two ships—the ships we have now. We have spent 20,000*l.* on alterations recently, by increasing the accommodation and boiler power. And the ships will have sufficient to do the work in a month. We are just able to do that four-weekly route with two ships.

The Conference adjourned.

Office of the Minister of Trade and Commerce, Ottawa,
July 9, 1894.

The Conference resumed at 10 a.m.

Delegates Present :

The Imperial Government.—The Right Hon. the Earl of Jersey, P.C., G.C.M.G.

Canada.—Hon. Mackenzie Bowell, P.C.
Hon. Sir Adolphe Caron, P.C., K.C.M.G.
Hon. George E. Foster, P.C., LL.D.
Sandford Fleming, Esq., C.M.G.

Tasmania.—Hon. Nicholas Fitzgerald.

New South Wales.—Hon. F. B. Suttor, M.L.A.

Cape Colony.—Sir Henry de Villiers, K.C.M.G.
Sir Charles Mills, K.C.M.G., C.B.

South Australia.—Hon. Thomas Playford.

New Zealand.—Lee Smith, Esq.

Victoria.—Sir Henry Wrixon, K.C.M.G., Q.C.
Hon. Nicholas Fitzgerald, M.L.C.
Hon. Simon Fraser, M.L.C.

Queensland.—Hon. A. J. Thynne, M.L.C.
Hon. William Forrest, M.L.C.

THE PACIFIC CABLE.

Hon. Mr. Foster.—Has there been any notice of motion for laying down the route of the proposed survey, in answer to the suggestion of Lord Jersey in the matter ?

The President.—No, there has been no resolution.

Mr. Sandford Fleming.—I was going to ask permission to say a few words on that point when the proper time came.

The President.—We will take it up after we have disposed of the question of the mail service.

IMPROVED MAIL SERVICE—(*resumed*).

Sir Adolphe Caron.—On Saturday, when the question of the Atlantic fast line and the mail service on the Pacific came up, I think we had a discussion in which more than ordinary interest was taken. Speaking for myself—and I think the same opinion was expressed by other members of the Conference—I consider that it was one of the most important subjects that could be brought under the consideration of the present Conference; and before the Conference was over, intimated that I would be ready on Monday morning to move a resolution, which I showed to some of the members of the Conference. I am now prepared to do so. The resolution which I beg to move reads as follows :—

Resolved that this Conference expresses its cordial approval of the successful efforts put forth by Canada and New South Wales for the establishment of a regular monthly steamship service between Vancouver and Sydney, and affirms the advisability of a reasonable co-operation of all the Colonies interested in securing the improvement and permanency of the same.

I think that no member of the Conference could object to what we affirm in that first resolution, approving of what has already been done in so far as the regular monthly

steamship service between Vancouver and Sydney is concerned, and recommending the advisability of reasonable co-operation of all the Colonies interested in securing the improvement and permanence of the same.

2nd. That the Conference learns with interest of the steps now being taken by Canada to secure a first-class fast mail and passenger service, with all the modern appliances for the storage and carrying of perishable goods, across the Atlantic to Great Britain, and the large subsidy which she has offered to procure its establishment.

3rd. That it regards such an uninterrupted through line of swift and superior communication between Australasia and Great Britain as is above contemplated as of paramount importance to the development of intercolonial trade and communication, and to the unity and stability of the Empire as a whole.

4th. That, as the Imperial Post Office contributes towards the cost of the mail service between England and Australia, *viâ* Brindisi or Naples, the sum of 95,000*l.* per annum, while the sea postage amounts only to 3,000*l.*, and the mail service between Vancouver and Japan and China, 45,000*l.*, less 7,300*l.*, charged against the Admiralty, this Conference deems it but reasonable to respectfully ask that assistance be given by the Imperial Government to the fast Atlantic service, more particularly as the British Post Office, while paying the large subsidy of 103,231*l.* a year to the line from Liverpool to New York, has, so far, rendered no assistance in the maintenance of the postal line between Great Britain and Canada.

Now, Mr. President, from the standpoint from which I view this question, I think the Atlantic and Pacific service are intimately connected, and I venture to express the opinion that the Pacific service requires strengthening; it is so far doing as well as could be expected, but it is quite apparent that it is being carried on at a loss and therefore requires strengthening. I consider that the only way in which that service can be strengthened is by attaching to it a fast service crossing the Atlantic Ocean, and upon that point I should like to read some letters which are absolutely pertinent to the question, and which carry out strongly, as I view it, the views which I have expressed to the Conference. Here is a letter addressed to Mr. Huddart by a Mr. Lynn, who writes as follows:—

"22 Billiter Street, London, E.C.,
June 30, 1894.

"James Huddart, Esq., Russell House, Ottawa, Canada.

"Dear Sir,—A friend of Mrs. Huddart's, namely, Mrs. Thompson, of Caulfield, with her maid and a friend, called to see us a day or two ago. She has just come *viâ* Vancouver in the 'Warrimoo,' and gives us a really splendid account of this vessel, saying that she has never been made so comfortable in her life, and that her officers are the best of fellows, and do all they can to make a trip enjoyable.

"She booked on a round-the-world ticket, and if she cannot arrange to go in the 'Miowera' she will have to travel in a P. and O. boat, although she says she would very much prefer the the 'Miowera.'

"She crossed the Atlantic in the 'Labrador' with her friend and maid, and she was not satisfied with the accommodation she got in the ship. We mention this because from a conversation we had with her we gathered that the arrangements of her Atlantic passage might have been more satisfactory.

"She would have liked, on her arrival at Vancouver, to have known what connection across the Atlantic she could make, and it appears that this information could not be given to her. Round-the-world passengers, we think you will agree with us, should have really first-class accommodation on the best liners across from New York, and we think Mrs. Thompson and her maid should also have had this. Have the Canadian Pacific Railway no system of arranging berths for Australian passengers on the Atlantic while their passengers are crossing Canada?

"We just mention this because you are on the spot, and you may take the opportunity of having a talk with Mr. McNicol, and because, also, it is of the highest importance that our through passengers should get the best accommodation crossing the Atlantic.

"Mrs. Thompson adds that the Canadian Pacific Railway officials are, in her estimation, most kind, courteous, and attentive.

"We are, dear sir, yours obediently,
"LYNN."

This evidently indicates, if it indicates anything, that the Round-the-World-Trip can only be carried out, in so far as the present system is concerned, if we have a first-class fast line on the Atlantic Ocean, and from the expressions of opinion which I have heard on more than one occasion from gentlemen who have travelled since the establishment of the Huddart line, I think that they all agree upon this one point, that it will not be a success, and we cannot hope to make of it a success, unless it is supplemented by a fast line on the Atlantic Ocean. Here is another letter which has been addressed to Lieutenant-Colonel White by Mr. Huddart, in reference to a mail, showing at what disadvantage we are placed in not having under our absolute control a fast line of steamers on the Atlantic Ocean as well as on the Pacific. It is addressed by Mr. James Huddart to Lieutenant-Colonel White, Deputy Postmaster-General, Ottawa:—

We have to acknowledge receipt of your valued communication, dated June 18th, with reference to the delay in receipt of London mails, *viâ* Vancouver, Montreal, and New York.

It is apparent to us that the delay which has arisen in this connexion has been caused by our mails not having been sent forward in the "Campania."

We apprehend that the fault would lie at the door of the New York authorities, and it does seem a pity that as the mails were sent forward by your officers in ample time to catch this steamship sailing on the 19th, they should not have reached us in London till the 28th inst.

Our senior is at present in your city, and we have sent forward papers to him in connexion with this question, and no doubt he will take an early opportunity of discussing with your good self this question, with a view to ascertaining if any improvement can be made in connexion with the New York authorities.

I have the honour to be, Sir,

For JAMES HUDDART,

R. GRAYSON.

Then this reply was given by Mr. White with reference to why the mails were delayed :—

MY DEAR MR. HUDDART, Ottawa, June 18, 1894.

WITH reference to your letter of the 30th of May, respecting the delay in the receipt in London of the mails which arrived from Australia and Victoria on the 10th instant, I beg to say that I find those mails arrived at Montreal at 9 a.m. on Thursday, the 17th of May, they were forwarded the same day to New York at 7·20 p.m., and should have gone forward from New York on Saturday, the 19th, by the "Campania." It is not possible for us now to ascertain on this side whether they did go by that vessel or not, as the New York office would not be able to tell us, the Canadian mails all going over together; but if that be the case there is not margin for improvement, because, if these mails were at Victoria on the 10th, they could hardly have been in Vancouver in time for the mail of that day, they would, therefore, not have left Vancouver until the 11th; they were in Montreal on the 17th, six days; they were forwarded that very day to New York, and therefore any delay must have been due to the sea voyage from New York. If there is any further information I can give you I shall be only too glad to do so, because, as you know very well, there are not many things in the department which I take more interest in than in the Australian mails.

Yours faithfully,

WM. WHITE.

The mails were sent in ample time to reach the "Campania"; the New York Post Office authorities, for a reason known to themselves, not calculated to expedite the mails, instead of sending that mail by the "Campania" sent it by a slow steamer, and we lost a day or two days in it reaching the London Post Office, and it is quite apparent that, unless we have this new fast line on the Atlantic, we have no control beyond the Pacific Railway on this transmission of Australian mails to England. We are sending the mails to New York, as we did in this very instance, expecting them to be carried by the fastest steamer going out, instead of which they are very often delayed or put on board a slower steamer, and the fast time which we make on the Pacific, and the fast time which we make crossing the Continent by the C.P.R. is completely lost, for all practical purposes, on account of the slow service on the Atlantic Ocean. Therefore I think that there can be hardly two opinions upon the point that, without the fast line on the Atlantic Ocean, the fast line on the Pacific cannot expect to be made a great success; and if it is not a success, I think it is just possible—although I venture to express the opinion that it will not be—that we might lose that service completely, because Mr. Huddart, or any other company, view it from a commercial standpoint, and not from a patriotic standpoint, or the standpoint of trying to help the work that we are all engaged upon, to improve the commercial relations between the several Colonies and Canada, and the mother country. I hope that the resolution I have moved is one which will meet with the support of the whole Conference. I do not think I am exaggerating when I say that I think it is one of the most important questions that we can possibly discuss, and, from the position which I occupy in the Government, presiding over the Department over which I do preside, I say that without that fast line on the Atlantic—and that view is shared in by all the officials of my Department, the permanent heads, who are in a position to appreciate the great danger we run—there is a risk of losing the service on the Pacific. Under these circumstances, I beg to move the resolution which I have read, and I hope it will meet with the approval and concurrence of the Conference.

Hon. Mr. SUTTOR seconded the resolution.

Lord JERSEY.—Does not the General Post Office send letters by the Allan line?

Sir ADOLPHE CARON.—No; in fact we do not count what goes over the Canadian line; it is too slow.

Lord JERSEY.—With reference to the words, "has not so far rendered assistance in "the maintenance of the postal line between Great Britain and Canada," is that not because the Canadian line is useless?

Sir ADOLPHE CARON.—Yes, that is so.

Lord JERSEY.—It is not because they are favouring the New York lines?

Sir ADOLPHE CARON.—No, it is not through any ill-feeling against us; it is because the line we have could not do the work.

Lord JERSEY.—Sir Adolphe Caron's explanation is quite sufficient.

Sir Adolphe Caron.—We can hardly ask them to give us a subsidy for the present line, because it is quite inadequate for the work expected of it. That is why Canada would give a large subsidy to establish a fast line, feeling that the present line is quite insufficient.

The President.—I might state that 30 years ago the Canadian line was equal to the New York lines; and about 40 years ago Canada paid a subsidy of 100,000*l.* Halifax currency yearly—equal to $400,000—for the establishment of the Allan line. Passengers came from New York and crossed on these lines because they considered them as comfortable as the Cunarders. We pay $125,000 annually now to the Allan line.

Hon. Mr. Thynne.—I think there will be no difficulty in the Conference adopting the resolution moved by Sir Adolphe Caron; I think we all feel the importance of the service proposed, and would all like to see it successfully carried out. Our Colony will be very glad to give some assistance towards the working of this line; we will give substantial assistance; in fact our Government offered a subsidy of 5,000*l.* a year on the condition that the steamers, on their way to and from Sydney and Vancouver, called at two ports in Queensland. The New South Wales Government were willing to arrange with Mr. Huddart that they should call at one port. The Government of Queensland found themselves unable, for reasons I need not enter into, to accede to that proposal.

The President.—Do you mean the Government of Queensland or New South Wales? You proposed to do a certain thing, and New South Wales objected.

Hon. Mr. Thynne.—New South Wales refused to consent to that provision. I hope, sir, we shall be able to arrange some way by which our Colony may be called at. My reason for saying so is that we probably will be able to supply a considerable quantity of suitable produce for Canada, which will undoubtedly be a very great help in substantially establishing the mail service; and also that we shall be able to take from Canada considerable quantity of goods, which will also be of assistance to the service as a mail service. No doubt, it was very difficult at the time the line began to work with only two steamers to make the calls at the two ports in Queensland, but it is scarcely reasonable to expect that a service of that character can be carried out with anything like success with only two steamers. For running between Sydney and Vancouver, at least three steamers will be necessary. They have found by experience that three steamers are necessary running from San Francisco and Sydney, and it is a shorter route, and they have had three steamers at work on that route for a number of years. The same thing will be found with this Pacific line. If we had three steamers running, then it seems to me not at all unreasonable to suppose that the service could be extended either in the Queensland direction or in the Victoria direction. But there is this fact to be pointed out in connexion with the Colony of Queensland, that it will involve practically no loss of time in mail communication between Sydney and Vancouver. These are matters in which this Conference can scarcely go into with great detail. These are matters which will be merely matters of arrangement between the governments interested and the companies concerned, and perhaps it would be better for me to leave further discussion upon that point until it is dealt with in that way. It will not be out of place to give the Conference some information with regard to what Queensland has done in connexion with the establishment of the British India mail service. That service has been running since 1882. There were strong reasons why it was very essential to the prosperity of Queensland that we should have an independent line of steamers between Queensland and the old country.

Hon. Mr. Sutton.—Would this proposed line be in competition with your existing line?

Hon. Mr. Thynne.—It would scarcely compete with the line proposed in these resolutions as the mail service. I think the information that I will give may prove to be somewhat useful in guiding us as to what we may expect in the future. In 1882 a monthly 10-knot service was established between Great Britain, making it 44 days from Brisbane to London by the Torres Straits, Suez, Aden, and Singapore.

Hon. Mr. Foster.—You do not touch any point on the continent of India?

Hon. Mr. Thynne.—Yes; at Colombo.

Hon. Mr. Foster.—That is an island, but you do not touch the mainland?

Hon. Mr. Thynne.—No. Our subsidy for the monthly service was 55,000*l.* a year, and at that time Queensland consisted of something like 300,000 people. In 1892, Queensland had to pay for the conveyance of her ocean mails over 60,000*l.* That amount kept on increasing up till 1877, when the amount paid was within a few

hundred pounds of 80,000*l.* for her ocean mail service. In 1888, it was over 76,000*l.*, and in 1889, 74,000*l.*, and then it comes down to the point to which I shall now call attention. The Government of Queensland gave notice to the British India Company to terminate the contract. They called for tenders for a similar service with this result. That they got an offer from the same company for a fortnightly service, calling at seven or eight ports in Queensland for cargoes, passengers, mails, &c. for a subsidy of 32,000*l.* In 1889, the British India Company offered to supply a mail service, running fortnightly for 33,500*l.*, instead of the subsidies which had been paid before, for a monthly service, of 55,000*l.*

Hon. Mr. Foster.—At what speed?

Hon. Mr. Thynne.—The same speed and the same conditions continued all through. They tendered, at the same time, to do a monthly service for a subsidy of 19,800*l.* That was after the development of trade through the establishment of a line of steamers and, at the present moment, we are running a monthly service for a subsidy of only 19,800*l.* An ounce of practice is worth a pound of theory. We went into a very heavy subsidy, and an onerous burden considering the population we had at that time, but Queensland has been fully repaid for what she has done. Now she has got a service well established, and well carried on, and for a small sum of money, and that service, probably, in the course of a few years, will be carried on without any subsidy at all.

Mr. Lee Smith.—What is your present subsidy?

Hon. Mr. Thynne.—At the present moment we are running a mail service every four weeks and pay a subsidy of 19,800*l.* per annum.

Mr. Lee Smith.—What is your net loss on your postage?

Hon. Mr. Thynne.—I have not taken that into the calculation. In Queensland we have a considerable loss on our postage. We pay something like 50,000*l.* a year in subsidies for land carriage alone. Now, our expenses on ocean mail carriage fell in 1890 from 74,000*l.* to 46,000*l.*, and in 1891 to 40,000*l.*, and in 1892 it was estimated at 36,000*l.*, so the result of the very heavy undertaking we went into at first, we now get it gradually down, on a sliding scale, to the expenses I have mentioned for ocean mail carriage. I trust that the experience of Queensland will be the experience of Canada in connexion with her courageous efforts to establish a satisfactory mail service.

Lord Jersey.—My few remarks will be in the same line that I spoke on on Saturday. This question must be considered as a whole, and the question in my mind is what part the Australian Colonies wish to take in regard to the subsidies which are now paid to the Peninsular and Oriental Company and the Orient Company. As has been stated before, I think, there are 170,000*l.* paid annually to these two companies for the conveyance of mails.

Hon. Mr. Foster.—By Australasia.

Lord Jersey.—Great Britain pays 95,000*l.*, and Australia pays the remaining 75,000*l.* It would be impossible for the Imperial postal authorities to consider this question by itself. It seems to me that they must take into consideration the whole question of the mail service to Australasia. Now I should like to hear, as I stated on Saturday, what part the Australasian Colonies propose to take with regard to this new route. On Saturday last, Mr. Huddart told us that he required a subsidy of not less than 300,000*l.* per annum upon an estimated capital of 3,000,000*l.* Towards that subsidy he expects the Imperial Government to subscribe 75,000*l.*, and Australasia, 50,000*l.* Now, I think, it is obvious, as this is put forward as a complete mail route from Great Britain to Australia, that it is necessary that we should know whether Australia is prepared to take its share of the subsidies. It would be of little use from the broad point of view to ask Great Britain and Canada to undertake the new line of steamers across the Atlantic unless at the same time Australia were prepared to do her proportion across the Pacific. Upon that point, so far, we have no enlightenment. Therefore, as I stated on Saturday, I hope we shall hear from the representatives of the different Colonies interested whether they are prepared to act in the same manner as they are prepared to ask the British Government to do, and as the Canadian Government has in the most dutiful manner expressed its intention to act. We cannot take it merely as an Atlantic service, we must take it as part of the whole of the mail service of the Empire, for the Australasian portion of the Empire and Canada, and part of the usual route from Great Britain across Canada to Australia.

Hon. Mr. Playford.—I have expressed on a former occasion the views of my Colony. Certainly we cannot be expected to help this particular service, as we are exceedingly well served as we are. Western Australia and South Australia are not interested much in this route so far as mails and passengers are concerned. I cannot say anything more and I do not wish to repeat what I said on that occasion. However, I wish to say in reference to the second paragraph of the resolution that I have a criticism to offer which I think will be well taken. It says:—

"That the Conference learns with interest of the steps now being taken by Canada to secure a first-class fast mail and passenger service with all the modern appliances for the storage and carrying of perishable goods across the Atlantic to Great Britain, &c."

Now, this is all very well so far as Canada is concerned, but it is of no interest whatever to Australia. Australia cannot send across this continent perishable goods from Vancouver to England, as such an undertaking is virtually prohibited, and this is only a matter that is of importance to Canada. It has no connexion whatever with Australia.

Sir Adolphe Caron.—It does not hurt Australia.

Hon. Mr. Playford.—It does not hurt Australia at all, but I point out the fact that it is of no special benefit to Australia to learn of these appliances for carrying perishable goods between Canada and Great Britain. I do not see anything specially to object to in this. It will be more for the Imperial Post Office authorities to say what they will do. It does appear to me if they are prepared to subsidise liberally a mail service between England and New York, I think they should subsidise a service to Canada before the United States and certainly give a subsidy to the British possession of Canada in preference to giving a subsidy by way of New York.

Hon. Mr. Sutton.—Mr. President, I think, if we are going to establish this line, we should not be asking even South Australia too much that she should contribute in some way to a line of this national character. Mr. Playford has stated that his Colony is pretty well served and that they get their mails regularly. That applies to all the other Colonies as well as to South Australia. They certainly have got their mails in a little shorter time than we have, but we in New South Wales receive our mails once a week. Now, this service will be of material assistance to all the Australian Colonies in providing more rapid communication with Canada and the United States of America. I conclude that there are a great many people living in those Colonies who have correspondents over the whole continent of America, and it must be desirable for Australian correspondents to be placed in more direct communication with correspondents in this great Dominion as well as in the United States, and therefore I think that this proposal should receive favourable consideration from all the Australian Colonies. Lord Jersey has asked to what extent the Australian Colonies propose to subsidise this line, and whether, while subsidising it, they will continue to subsidise the lines now in existence between England and the Colonies by way of Brindisi and Naples. I can only speak for my own Colony, and we are very anxious to assist this line. In fact, we have already materially assisted it to the extent of 10,000*l.* a year. At the same time, we pay the largest subsidy of all the Australian Colonies in assisting the Orient Company, and the Peninsular and Oriental service; so that we are quite content. We have taken up this position with a view of keeping up the communication we have had with Europe. We contribute a larger amount than the other Colonies for the line to Brindisi and Naples, namely, 26,759*l.* per annum, and we are paying the largest sum of any of the Australian Colonies in the form of mail subsidies. We rapidly fell in with the views of Canada when she asked us to assist in the establishment of this line between Sydney and Vancouver, and if this line is worthy of the assistance of Canada and New South Wales, it is equally worthy of consideration on the part of the other Australian Colonies. I particularly allude to the Colonies which are not so favourably situated as others and which are not now in direct communication. I would like to specially mention Fiji and New Zealand, and, if this line is to be considered at all, it certainly demands assistance from both Fiji and New Zealand. If we are going to view it as a rapid mail service, it ought to go by the most direct mail route possible, and to do that perhaps it may not be found expedient to call at New Zealand. But I think the fact that it will bring New Zealand into direct communication with Canada and England makes it desirable that New Zealand should consider whether it is not advisable to adopt a branch line of steamers between New Zealand and Fiji, to intercept the mails on their way down to Australia. I think as we are asked here to discuss the advisability of securing an improvement and the permanency

of this line we should consider in this connexion whether it is not desirable to make it a four-weekly service instead of a monthly service. One objection to the present line is that, instead of running alternately with the San Francisco service, the mails occasionally clash in such a way that they leave either America or Sydney in the same week instead of alternating every fortnight. This is a matter we should consider in connexion with the improvement of the service now under consideration. I am glad indeed to find that the gentlemen representing Queensland have expressed their wish, as far as they can, to assist in the maintenance and improvement of this service. I think when the proposal was made to them originally, they were asking a great concession suggesting that the steamers should call at two ports. My government have always expressed the desire to meet, as far as they could, the views of Queensland in regard to that matter, and were quite agreeable that the steamers should call at one or other of the two ports mentioned, but we think it would cause too great delay to call at two ports. Now, mention has been made of the large amount of subsidy that Mr. Huddart requires to carry out this service on the gigantic lines he has laid down, with regard to the large steamers across the Atlantic and also for the improved service across the Pacific. Certainly, the figures seem to me to be very large, but if one Colony in Australia can contribute 10,000*l.* there ought not to be any great difficulty in finding something like the amount he requires to carry on this important service, providing satisfactory arrangements can be concluded. But after the statement from Mr. Huddart made before us here the other day, we shall require this very large amount of money, if he is to give us what he terms a very good and fast service, and he said that even if New Zealand agreed to give a subsidy of 10,000*l.* a year, he could not see his way clear to call there. I think, perhaps, that the Colony of New Zealand will not be inclined to give a larger subsidy than they have offered to give, namely, 10,000*l.* But, even if they did that, I think it will be found that the detour in going by way of New Zealand from Fiji would destroy the service as a rapid mail service. There is a great desire on the part of Canada, as well as of Mr. Huddart himself, that they should make this line as quick a service as possible, and prove to the Australian people that they can get communication more promptly and rapidly by the Canadian route than by any other. To do that, they will have to go by the straightest possible route. One of the proposals made by Sir Adolphe Caron in the resolutions which we are now considering is that England should be asked to subsidise the proposed fast Atlantic line between England and Canada, but we do not in the resolutions invite or ask England in any way to assist in the line between Vancouver and Australasia. I do not know whether that is the intention of the mover of the resolutions, but should we not go a little further and ask England to assist the line generally, not only subsidising the line between England and Canada, but also subsidising the line between Vancouver and Australia.

Sir Adolphe Caron.—That is my intention.

Hon. Mr. Suttor.—I should like, if Sir Adolphe will allow me, to insert the words "and Pacific," and the resolution will read :—

"This Conference deems it but reasonable to respectfully ask that assistance be given by the Imperial Government to the Fast Atlantic and Pacific service."

Sir Adolphe Caron.—It was in the original resolution which I prepared, and it has evidently been left out; how, I know not.

Hon. Mr. Suttor.—I move the insertion of the words "and Pacific" after the word "Atlantic." Mr. Huddart said he required the large sum of 300,000*l.* to carry on the service, but explained that he could not very well divide the subsidy as between one point and the other. I think, therefore, it would be well to ask the Imperial Government for assistance on the whole line. In conclusion I can only say that, when the Government of New South Wales were asked to assist Canada in the establishment of this service, we thought it desirable that we should bring ourselves into closer communication with our fellow subjects in Canada. They belong to the same Empire as ourselves, and I am glad to find that, when the proposal was made to the Parliament of New South Wales, it was equally as desirous as the Government that we should enter into this bond of union between New South Wales and Canada by contributing 10,000*l.* to this line and readily voted the money required. It may be as well to mention that we have not given this subsidy for any length of time. We thought that if we gave the subsidy for three years, the period of the existing contract, that during that time it would be proved whether the service was likely to be permanent or not, and I hope that the other Australian Colonies will see their way during this period to

assist the line, which I believe will be of permanent benefit to the Australian Colonies and Canada.

Sir Henry Wrixon.—Our position as delegates from Victoria is, that we are not now able to state the exact amount that our Government would give to subsidise this line. We are favourable to the line being continued and would be sorry to see the line across the Pacific discontinued, and I have not the slightest doubt that our Government would, to prevent such a catastrophe, propose some assistance, but as to the particular amount, we are placed now in a little difficulty, partly by the answer which Mr. Huddart gave us on Saturday, namely, that in no case did he contemplate the steamers calling at Melbourne. Well, that, of course, prevents our regarding this line in the light of a mercantile line or for carrying produce. We are therefore, thrown back upon its merits as a mail line. Those merits are not so great for Victoria as for New South Wales, because Sydney, of course, would get letters across to Pacific some 20 hours sooner than we would, and our position relative to the Suez route makes it hard to say how, from the mail point of view, we would gain much. If we could see our way to get a mercantile advantage for carrying produce, then our Government would be prepared to subsidise this line in a substantial amount, but I am not in a position to say the exact amount now, Mr. Huddart having stated on Saturday he did not intend to call at Melbourne. That puts us in the position of not being able to say anything definite in regard to the particular sum which we will subscribe. At the same time, we would regard it as a misfortune to Australia, if the line across the Pacific were discontinued, and I hope that before the three years which Mr. Suttor has alluded to has expired, that arrangements will be made to secure the permanency of this line, probably at the time the other mail contracts expire, which will be in some two or three years. I think there will be then a general readjustment made and our Government then will, I am sure, be in a position to give reasonable assistance to the Pacific line, but we feel it a little premature to fix any amount, particularly in view of the answer of Mr. Huddart on Saturday. I would only add one remark as to England assisting on the Pacific. I have no doubt England would be willing to assist reasonably. Of course, if this mail service should be established, and would be the one used by Australasia, it would be more used by the business men of England than by the business men of the other Colonies of Autralasia and Canada. We are talking of this line to Australia as though it concerned Australasia alone. That is a mistake. I have been informed by eminent postal authorities that where you establish mail communication from the centre of the Empire towards the external portions, more matter goes from the centre to the extremities than comes back, and, therefore, the business men of England, if there is a satisfactory service across the Pacific, will use it more than the business men of Canada and Australasia will use it, and it is not unreasonable to ask the Imperial Government for their contribution. The position of Victoria is, that we are decidely sympathetic, and we would regard it as a misfortune to see this important service fail, but we are not in a position to say the exact amount we can contribute, and we will be in a better position to say that when the other mail contracts terminate, and there is a general readjustment of them. Then, we have no doubt that our Government will act liberally.

Mr. Lee Smith.—I am glad Sir Adolphe Caron has put these resolutions before the meeting, because it brings the discussion upon a practical basis, just what is required to enable us to arrive at a conclusion on this important subject. I may say also that I am very glad to hear what Lord Jersey has said with regard to this question. He has very properly put before us the necessity of the Australasian Colonies generally giving him some definite and practical conclusions as to how far they are prepared to advocate and substantially support the through line to Great Britain. Now, sir, that being so, and Lord Jersey having put that before us in that light, it behoves all the Australian Colonies to take into consideration at once the question, how far they can meet these views. It must be clear to all of us, if we allow Lord Jersey to go home without being able to represent to the British Government some definite plan, or to say that there has been some definite arrangement arrived at by the Australian Colonies, the British Government can say: "These people are more interested than we are, but they do not "appear to have made up their minds as to what the value of this service is to them." Then the British Government will do exactly what they did seven years ago with regard to the cable. They referred the matter back to us and said: "Put something "definite before us and we will give our answer." Therefore, I am pleased to find that the discussion is now taking a proper course. Mr. Suttor has referred to the question of routes, and he has told you that it behoves New Zealand to consider

whether it should not make arrangements with Mr. Huddart for a branch service with Fiji. Let me tell you at once, sir, that my Colony in such a case would step down from the large subsidies which we are prepared to give, from a mail and trade service point of view, if we did not have a direct connection with Canada. Supposing New Zealand gave 10,000*l.*, and all the Colonies contributed 1,500*l.* each, which would be some earnest of the real feeling in the federal aspect, I will show you how I think a service could be carried out. At the present time Canada gives 25,000*l.*, New South Wales gives 10,000*l.*, and under the conditions which I have put before the Conference, making New Zealand a port of call, my Colony would give 10,000*l.* That is 45,000*l.* Fiji is going to give 1,500*l.* That makes 46,500*l.*, and then from the Imperial point of view all the Colonies coming together might give, say 6,000*l.*, making 52,500*l.* a year. Adding that 52,500*l.* a year to the 150,000*l.* that is already given by the Canadian Government, that makes 202,500*l.* Then add to that what we are asking from the Imperial Government, which I think we can fairly claim, and which I think the Imperial Government would respond to favourably, this would give a total subsidy of 277,500*l.* a year. Now, I say, if Mr. Huddart cannot for this amount carry out his mail service upon the lines which he has previously indicated, a first-class through service, putting England in connection with New Zealand within 27 days, we must abandon the whole thing. Mr. Huddart asks 300,000*l.* a year. If he gets 277,500*l.* a year he ought to be able to carry out his scheme. It is absolutely essential that we should here decide at once what we will agree to give, and I am prepared to give 10,000*l.*, and recommend another 1,500*l.* a year if the other Colonies will combine together and do the same thing. We can go to a central point in Australia, and I ask you to take the federal view of it, taking that central point at Sydney. Sydney will be the most central and valuable port for communication with Canada, and then for that amount, 1,500*l.* a year, the Colonies can send their passengers and mails over a first-class service. The train service between Sydney and Melbourne is only 16 hours, and Brisbane is the same distance. This is only asking 1,500*l.* a year from each Colony outside of New South Wales and New Zealand.

Hon. Mr. Fitzgerald.—What would 1,500*l.* a year amount to if contributed by five Colonies?

Mr. Lee Smith.—It enables me to say that New Zealand will give 10,000*l.*, and this extra 7,500*l.* will help the scheme. If you get to London a day or two later it does not matter if, as you say, you do not regard it as a mail service.

Hon. Mr. Sutton.—Will you really contribute anything if you find that the mail service cannot call at a New Zealand port?

Mr. Lee Smith.—I will say this: If you cannot see your way clear to make New Zealand a port of call, and if it be found inconsistent with the whole of the Colonies combined that New Zealand cannot be made the last port of call, I will recommend my government to take the position that I now ask you to take, and give these people 1,500*l.* a year. I am not authorized to do it, but I am sure my government will agree to it at once. Geographically, New Zealand is the last port of call, and when I say we should make large shipments to Canada and take a great many Canadian products, I think it will be worth our while to give a trade and a mail subsidy of 10,000*l.*, and, beyond that, what I may term a sentimental subsidy of say 1,500*l.* or 2,000*l.* whether we are the last port of call or not.

Lord Jersey.—The 10,000*l.* would be dependent upon the ships calling at a New Zealand port?

Mr. Lee Smith.—Yes, always understanding that we have mail communication right through on this side. We can get mails and passengers through in a short time by the other route to San Francisco. It is not much to ask of you. Surely you can recommend 1,500*l.* to your governments. I hope the members of the Conference have followed my figures. I have shown that we can raise within 25,000*l.* of the amount of the subsidies asked.

Hon. Mr. Forrest.—I have been astonished by the magnitude of the figures quoted with respect to the initial cost and the cost of maintaining the proposed service. It is useless overlooking this because it strikes at the root of the whole matter. The Australian finances are not in a flourishing condition—though I am glad to say they are improving—and I feel certain, if the Australian Colonies have to contribute to the extent indicated, that this mail service is in the very distant future. They could not find the necessary money.

Mr. Lee Smith.—1,500*l.*?

Hon, Mr. Fitzgerald.—That would not pay for the grease for the wheels.

Hon. Mr. Forrest.—I think, however, we are discussing this question from a wrong point of view, viz., that of a quick and general mail service. I do not think anybody can show that it would at once be a fast mail service, and at the same time serve any considerable portion of Australia and New Zealand. Therefore, why discuss it from only a fast mail service point of view? What is the use of arguing against facts? To my mind, it would be a most advantageous line to establish for the purpose of getting direct communication between the great Colonies of Australia, New Zealand, and Canada, and because I think it would materially hasten the development of those Colonies; as between those Colonies, it would certainly be a more rapid service than by any other route, and if it would lead—as I believe it would lead—to their more rapid development, it would assuredly benefit Great Britain, and from this point of view the Imperial Government might be fairly asked to contribute. I have not got the figures with me, though I did go through them, but the amount of subsidies said to be necessary to establish this line are far in excess of the subsidies paid for greater services.

The President.—This is entirely a new trade as far as Australia is concerned.

Hon. Mr. Forrest.—I admit that it is a new trade, but the subsidies asked for are far in excess of what is and has been paid for other and similar services. I do not want it to go forth to the world that we are prepared to pay any more than necessary, because if we do those who propose to start the services will not ask less than we suggest. I feel that such large subsidies are unnecessary. I believe if we go about this matter properly we can get the business done for a great deal less money. Whether there shall be a rapid development of the trade between the Australian Colonies, New Zealand and Canada, in my opinion, depends very much on whether a good direct shipping service is established between them; and whether such a service shall be quickly and permanently established depends very much on two things. First, the amount of subsidies required, and second, whether the Imperial Government will assist. With respect to the latter, we may rely that it will take a wise, liberal, and patriotic view of the position. Whatever tends to assist and develop the British Colonies must help Great Britain. But apart from this, I am one of those who firmly believe that Her Majesty's Government can always be relied on to take the most favourable and the most generous view of anything and everything that is calculated to promote and interest the welfare of her Colonial possessions. Those present here who belong to self-governing Colonies must have often seen—and, like myself, have often regretted—that when party feeling runs high in the Colonies the work of one Government is not infrequently, either actively or passively, destroyed by the next. Now, party feeling runs high at times in England, but nevertheless, it is recognised that certain questions belong alike to every party, and indeed are placed above party politics. Therefore, with respect to many questions, and more particularly with respect to those affecting her Colonies, the policy of England is continuous. In this connexion, the Imperial Government, in appointing Lord Jersey as its representative to this Conference, has given us an excellent object lesson, and an excellent illustration of England's policy—as indicated—for he is not a supporter of the present Government; but I venture to assert if England had been searched from Land's End to John O'Groats, no one better—if so well—qualified, could have been found, no one whose appointment could have given greater gratification to the Conference in general and to the Australasian delegates in particular. During the time he was Governor of New South Wales, he earned for himself golden opinions throughout Australia, and I am sure that every member of this Conference will admit that such opinions were well earned; also that his great grasp and widespread knowledge has enabled him to render—and by his wise and judicious counsels that he has rendered—invaluable assistance to our deliberations. The lesson which I would like the Colonies to learn from the Imperial example is briefly this: select the best men for the discharge of great public duties.

Hon. Mr. Fitzgerald.—Speaking for Tasmania, I feel very much that all we can do is to assent to a sympathetic resolution in regard to this matter. We have every desire to co-operate, and when the adjustment of the present subsidies takes place after a year or two, then, no doubt, the whole matter will come under review, and, if they possibly can, each Colony will unite in the accomplishment of this desire. Now, with regard to Mr. Smith's proposal that, as an earnest, as it were, of sympathy, we offer 1,500*l.* a year, we cannot entertain it seriously. What would the 1,500*l.* a year for each of the Colonies interested amount to? You practically have only Queensland,

Victoria, New South Wales, and New Zealand. South Australia cannot be expected to come in. Then between Melbourne and Sydney, Sydney will have the advantage of 40 hours by this route. Sydney is 20 hours nearer one way and 20 later by the other way.

Mr. Lee Smith.—There is the passenger service from South Australia.

Hon. Mr. Fitzgerald.—The passenger service is important, but when we consider the magnitude of this, it looks such an enormous sum that in the present condition of Colonial finances I do not think that the present opportunity would be a good one to open this matter. After a year we hope that clouds now disappearing will have disappeared altogether. Then will be a much better time to deal with this subject more liberally than at the present time. I think we cannot go beyond an expression of sympathy with it. I know that the Colony of Tasmania cannot go into any money project. At the same time, I say, with regard to Mr. Smith's idea, if a small sum of money were required as an earnest of Imperial feeling none of the Governments would object. This offer of 10,000*l.* is made conditional on the steamer touching at New Zealand. We were informed by Mr. Huddart, that he could not consider it for that amount. I think it is within our experience that it is absolutely impossible for the route to go there. It will be much nearer to go to Melbourne than New Zealand, and there will be loss of time by going to New Zealand. On behalf of Tasmana, I desire to say that the Government have every sympathy with this movement, and when the subject of the subsidy arises, I hope they will be able to give practical effect to that sympathy in uniting with all the other Colonies in the attainment of the object we all desire.

Lord Jersey.—I wish to clear away a misconception in Mr. Playford's mind. The British post office has no preference whatever for the New York route. It only uses the New York route because at present the quickest steamers go there, and not because it is the wish to subsidise the mail route to the United States. Sir Adolphe Caron has clearly stated that at the present time Canada could not expect the British post office to send their letters by the existing route. But the whole question will be altered the moment a new route is made between Canada and Great Britain. As an individual, there are two points to which I would like to refer. It seems to me that we have been a little bit handicapped in our discussion by the figures which Mr. Huddart laid before us on Saturday. To ask for a guarantee of 10 per cent. upon the capital of the company is a very strong request. It seems to me that it is hardly likely that without fuller figures any Government would go so far as to guarantee 10 per cent. upon the outlay. There may be reasons why a certain guarantee should be given. But before the Government would accede to such a request they would want to have all these figures fairly before them, and I think in our discussion we have been a little bit hampered on account of Mr. Huddart's figures. The other point is, that in this question of mail route, we have rather left out of it the fact that the Canadian Pacific Railway is an important factor in the matter. We cannot help it, but in any arrangement that may be made, the Canadian Pacific Railway would have to be a party. Otherwise that company would really command the situation. We might make an excellent arrangement on the sea, and the Canadian Pacific Railway might to a certain extent nullify this arrangement by the way in which it carried on its business. I only mention these points as they occurred to me as an individual, and not in my official capacity.

Hon. Mr. Foster.—These are points which it might be well to think over a little, but I want to make this suggestion, with regard to the whole scheme. This Conference is not absolutely considering Mr. Huddart's scheme. This Conference is considering a scheme for communication between Australasia and Great Britain *viâ* Canada and through the proposed fast Atlantic service. Mr. Huddart is the gentleman who is now carrying on a part of that service on a certain condition as to a monthly service.

Lord Jersey.—I said we were "a little bit handicapped." I used these words on purpose.

Hon. Mr. Foster.—Mr. Huddart is also, under certain arrangements made with the Dominion Government, endeavouring to establish this fast Atlantic portion. In his work of undertaking the whole scheme, he is endeavouring to have four steamships on the Atlantic and five on the Pacific, which would make a good service if well carried out. For that ideal scheme, the subsidy that he asks is 300,000*l.* per annum or 10 per cent. on the capital. It may be necessary to have that amount of money or it may not be necessary to have that amount, and one impression I want to get rid of in

the Conference here is the inference that the Dominion Government is bound for any length of time to Mr. Huddart's proposal. We are not, and we would not bind ourselves down to any person with whom we made agreements that we should be handicapped from turning it into other hands if that arrangement fails. Our arrangement with Mr. Huddart is simply this: We have made a provisional agreement by which if he does so and so we will grant a certain subsidy. After we have got the consent of Parliament to that $750,000 proposed as a subsidy, Mr. Huddart has three months to materialize his scheme. If he is not successful in three months, the Dominion Government is at perfect liberty to look elsewhere, or rather to receive other propositions. I may say that other propositions are now before the government, but we are unable to consider them until we have amply carried out the proposal we entered into with Mr. Huddart. It is quite possible a less amount of money may carry the scheme through. So that you must see that we are not handicapped by this proposition. We are simply, after all, considering the abstract plan as to how to get this service, and we are seeing how far we can assist each other towards the accomplishment of that service. Any line of communication like that must be with the co-operation of the Canadian Pacific Railway, and I may say that Mr. Huddart has the co-operation and sympathy of the Canadian Pacific Railway in his endeavour to arrange his lines, and in the Pacific he has the best and the closest arrangement with the Canadian Pacific Railway, which necessarily must be understood in an overland route like that, because, in that great continental route alone, a large benefit would accrue to the Canadian Pacific Railway in the way of carrying passengers and freight *viâ* this route. I will point out, however, that there are some difficulties in the Canadian Pacific Railway carrying on this Atlantic service or being a party to this Atlantic service, because they have the competition of the Grand Trunk system of railway, which is a mighty system of railways in this country, and that line would have the competition of the Allan line of steamships and the Dominion line of steamships and other heavy lines of steamships of great influence, so that the Canadian Pacific Railway might be very seriously handicapped by having the control of this line between here and Great Britain, if it incurred the competition of this great railway and the other great steamship lines. So that is a factor which enters into the participation that the Canadian Pacific can take in the fast Atlantic line. I know those considerations have great weight.

Lord Jersey.—Does not the Canadian Pacific Railway feed those lines?

Hon. Mr. Foster.—It does; but the fast Atlantic service must not only be fed by the Canadian Pacific Railway, but by the other lines as well. It will be to the benefit of the line that the passenger and freight traffic of both the Grand Trunk and Canadian Pacific Railway should be centred on the fast Atlantic steamers. There is a rivalry between the two great lines, the Canadian Pacific Railway and the Grand Trunk, and if it were known or supposed that the Atlantic line was in connexion with the Canadian Pacific, the Grand Trunk would say, as far as our freight and traffic business is concerned, we will throw it into the hands of some other line. The idea is to interest all the great lines of railway in this country equally, if possible, in the fast Atlantic service. Whilst I acknowledge the practical nature of the offer made by Mr. Lee Smith from New Zealand, and am very glad to hear his views in that respect, I think it is impossible for us to expect at this Conference that we should put down in black and white what each Colony is prepared to give. Fortunately, the Canadian Government has so acted that its delegates are in a position to say exactly what they will give. New South Wales has been able to do the same. The other Colonies are not in that position. For my part, I am thoroughly satisfied with the expression of good-will and sympathy which they have given. I feel that what has transpired here will be followed by every reasonable effort to accomplish the desired end. We must not lose sight of the fact that each one of these governments has its own conditions to deal with, and I do not think we can ask here at this Conference, that they shall put down just exactly what they can do; but I know the suggestion will commend itself to all the Australian Colonies. It is a grand scheme. If the cable communication and the steamship communication shall be carried out within the next three or four years, I venture to say that no one single action that has taken place will do more for the British Empire as regards its unity, and the cohesion of those distant parts, than this very same line of action we have recommended. We cannot hasten too fast. With respect to the cable, so it is with this matter. We must be satisfied to go slowly. I also acknowledge this point, that Great Britain cannot be categorically asked to-day or to-morrow just what she will give. There are other considerations which have been well put by Lord Jersey, and I quite accede to the view that two or three years will be

necessary in order to bring this matter to a culmination. When the other subsidies fall in, and these contracts expire, there will be a certain elasticity in regard to the matter that does not at present exist. I think we shall have done excellently well if we can see our way clear to give this all our sympathy and our participation in the way in which it has been suggested here to-day. Some may think we are somewhat in the position of beggars with reference to the British Treasury. While it may have a little of that aspect, after all there is an element of fairness about it. We do not go there to beg without being quite prepared to put our hands in our own pockets. After all, we are all one, if we do live a long way apart.

The motion was then put and carried unanimously.

THE PACIFIC CABLE.

The PRESIDENT.—The next order is Mr. Thynne's motion as follows:—

"Moved by Mr. Thynne, seconded by Sir Henry Wrixon: That the Canadian Government be requested, after the rising of this Conference, to make all necessary inquiries and generally to take such steps as may be expedient in order to ascertain the cost of the proposed Pacific cable and promote the establishment of the undertaking in accordance with the views expressed in this Conference."

Mr. FOSTER.—In respect to that, Mr. Thynne, what is your idea? How far does it go?

Mr. THYNNE.—My idea in moving this resolution is that the Government of Canada shall have put upon them the duty of keeping this question of the cable alive, on the lines that have been suggested. It will let them feel that we, the other Colonies, in putting this duty upon them, are prepared to assist them and support them, as far as we possibly can, on the lines we have expressed during the debate. It is desirable that this question of the cable should be kept moving. I think this is a wise step, after the resolutions which have been passed. I do not think, Mr. President, I need detain the Conference, by making any speech upon this motion. I think that it is one which will meet with approval.

Mr. FLEMING.—May I be permitted to say a few words? My name has been so much connected with this matter that I have thought it best that other gentlemen should express their views to the Conference. There are three points, however, with respect to which I would like to submit a few observations. It was said, sir, by one of the delegates, the Hon. Mr. Playford, that there is no evidence to show that any Imperial officer considers the Pacific cable would be of any strategical value. In reply to this, it must be obvious that the value of the cable is self-evident, to anyone. I think it would not be possible, sir, to find any officer, naval or military, whose opinion is of any weight, who does not place the highest value upon the Pacific cable as an alternative line to Australia and the east.

Hon. Mr. PLAYFORD.—What about the Hydrographer's report?

Mr. FLEMING.—I will come to that presently. I have in my possession evidence which I think must be satisfactory to all, if evidence is needed. So high an authority as Field-Marshal Lord Wolseley years ago expressed the opinion publicly that it would be unwise and suicidal to depend on the existing telegraphic system as a means of telegraphic communication between England and India as well as Australia. This opinion, I am certain, is shared by every admiral and general of any note in her Majesty's service. After Mr. Playford spoke on the subject the other day, when I left this room almost the first man I saw was a well-known and distinguished British officer. I refer to General Herbert, at this moment in the service of the Canadian Government. I asked what opinion he held, and without the least hesitation he expressed himself strongly in favour of the Pacific cable; since then he gave me a document, an extract from which I would like to submit to the Conference.

Hon. Mr. PLAYFORD.—I would ask if this gentleman speaks as a British officer, or as Canadian officer? He is in the service of the Canadian Government at present.

Mr. FLEMING.—He always speaks as a British officer. He says: The present lines of telegraphic intelligence between Great Britain and the Cape are singularly exposed to interruption. They present a large number of mid-stations, many in foreign territory, while others are on undefended points of British possessions or protectorates.

The main line connecting Great Britain with Australia is still more exposed to interruption. It has many mid-stations and consequently many possible points of attack, while many of these mid-stations are on foreign territory. Passing through the narrow and shallow seas of the Indian Archipelago, the cable becomes vulnerable

throughout its entire length. In the event of the interruption of the existing line, Australia becomes isolated, for the purpose of telegraphic intelligence, from the rest of the Empire, since there is no alternative line.

Viewed by the light of the above statements the strategical effect of connecting Canada and Australia by a telegraphic cable, is to confer a distinct increase of defensive power on the British Empire, for the following reasons :—

1st. Such a cable would double the existing means of telegraphic intelligence between Great Britain and Australia, and ultimately between Great Britain, the Cape, and India.

2nd. The line so provided would be less vulnerable than the existing ones, since all the mid-stations of the submarine section, and all those of the overland section, would be in British hands.

3rd. The Pacific section of the line being a deep-sea cable, the line would not be exposed to the danger referred to above as existing in the shallow waters north-west of Australia.

4th. Canada would be provided with an alternative line of intelligence with Great Britain in the improbable, yet possible, event of a general interruption of the trans-Atlantic lines landed in Canada, at a time when those landed in the United States might not be available.

5th. A direct line of telegraphic intelligence would be established between the northernmost station of the British Pacific Squadron and the stations of the Australian Squadron; an incalculable advantage in facilitating the co-operation of these naval forces with one another.

It must be observed that the full advantages above detailed would be neutralized in the event of the Queensland New Caledonia cable being made a section of the proposed trans-Pacific system, since that system would then cease to be purely British.

In military, as in commercial, affairs, the importance of a rapid and secure interchange of intelligence, between distant points, cannot be over-estimated. The proposed trans-Pacific cable will doubtless find many advocates upon purely commercial grounds, but I will venture to report that, viewed solely as a military line of intelligence, its value is so great that it should secure the unhesitating support of all the governments, whose interests and very existence demand the fullest development of an organised system of Imperial defence.

Sir, it is not necessary to say anything more with regard to the strategical aspect of the cable, and I am very glad to be able to supply the evidence which one member of the Conference seemed to think was wanting.

The second point I wish to direct your attention to is one referred to by, I believe, Lord Jersey; I think he asked that the line of cable should be in some way defined, so that the survey might be proceeded with without unnecessary delay, that, in fact, it was necessary to have some idea where the survey should be carried on, before it could be commenced. With regard to this, I can only say that, if the object be to establish a British cable, we must commence the survey at Vancouver, and proceed to Fanning Island, and thence southwards, Fanning Island being the nearest British island that we possess. This reminds me, sir, that it is due to myself to make this explanation :—I took upon myself to point out, on three separate occasions, that another island considerably nearer Vancouver than Fanning Island was available for a mid-ocean station. On the 23rd September, I prepared a memorandum, which was sent from Honolulu by Mr. Bowell, informing the Canadian Government that this island was unoccupied, and unclaimed. I refer to Necker Island. When I reached Australia, the same statement was repeated by me in a memorandum, dated October 11th, which was submitted to the various Australian Governments. And, again, in January last, I had, with the Agents-General and the High Commissioner for Canada, an opportunity of seeing Lord Ripon, and I placed in his hands a third document dated January 6th, in which I pointed out that this island, 800 miles nearer than Fanning Island, was still unoccupied, and unclaimed by any maritime power. That island, however, is not now available. On the 27th May last, formal possession was taken of it by the Hawaiian authorities, so that, if we want Necker Island, we must now apply to those who have so recently laid claim to it. The nearest British island is Fanning Island, and therefore the survey should be made between Vancouver and Fanning Island, unless some terms can be made for landing the cable at one of the Hawaiian Islands. As far as the sction between Vancouver and Fanning Island is concerned, of course it would be very desirable to have it shorter, but it is perfectly feasible to lay a cable to Fanning Island. The third point I wish to mention is this :—It was pointed out by Mr. Foster that it was necessary to know the cost of the undertaking in order that the several governments might intelligently con-

sider the whole question. The survey alone will not give us the cost of the undertaking. Something more is needed, and the question in my mind is, who is to obtain that further information? Are we to wait until another Conference, or will it not be better to have some one authority to act in following up the resolutions of the Conference in regard to the establishment of a cable? The resolution submitted by the Honourable Mr. Thynne has a direct bearing upon the matter. If the Canadian Government be authorised and requested to make all necessary inquiries and take such steps as may be found expedient to promote the object we have in view, I am sure the Conference cannot arrive at a better conclusion. There are other matters besides the survey and the cost which require to be considered. It may be necessary to carry on correspondence in connexion with the acquiring of a mid-ocean station. Possibly, a correspondence with the Hawaiian authorities and the Imperial Government, possibly with electricians, manufacturers of cables and others; therefore, I think the resolution submitted by Mr. Thynne is one which should be passed by the Conference.

Hon. Mr. Foster.—The survey to Honolulu, and thence further across, would that be all that would be necessary, even if the cable ran to Fanning Island?

Mr. Fleming.—I think the survey from Vancouver to Fanning Island, with some soundings in the direction of Honolulu, would answer all the objects.

Mr. Lee Smith.—I am delighted with this motion by Mr. Thynne, because it is practically an affirmation of the method of procedure which I advocated the other day, but which was then not considered to be advisable. I am not going to quarrel with words or phrases; but, if you look at the terms in which Mr. Thynne's motion is put, you will see it really means that the steps to be taken must necessarily be in the direction of inviting tenders from companies, in one way or another. During the debate on my motion, the question was asked, how can you do it, unless there is some survey? The same answer is applicable to this motion. How are you going to get any definite information as to what this will cost, unless you have surveys, or unless you take the risk, or unless some company will take the risk, of making the survey, and sending in a tender. It is really my motion in another form. I trust it will lead to what we all desire, and that it will not be long before we know what the cost will be. We wish to get a cable as quickly as possible. I shall be very glad to support the motion.

Hon. Mr. Playford.—The motion is a very proper one, after the position the Conference has taken. I should not have risen to say a word, were it not for what Mr. Fleming has said. He fancies he has answered my statement. He has not answered me in the slightest. My contention was that it was a very singular thing that Sir Charles Tupper and Mr. Fleming, who have taken such a great and deep interest in this cable matter, and have written so much about it, had never, through the Colonial Office, got the Imperial Government to get a report from a competent Imperial officer on the question of the strategic importance of this particular cable. He thinks he has answered me by quoting some Imperial officer, who evidently is in the employ of the Canadian Government. This Imperial officer has not been asked by the Imperial authorities to express his opinion. It should come through the Colonial Office in the proper way, and not through Mr. Fleming direct. It is no answer to my contention to say that an Imperial officer has given such a report to Mr. Fleming. My contention was that the report of the Imperial officer should be given to the Imperial Government, and should be got in proper channel, through the Colonial Office, by either Mr. Fleming or the High Commissioner, Sir Charles Tupper. I contend that I am in no way answered by quoting a statement from General Herbert, who may be a very competent individual, and I have no doubt has taken what he believes to be a correct view of the situation, but, it is no answer to my contention that, if we are to get opinions upon this very important subject, on which we are going to ask the Imperial Government to give us assistance, the reports of such Imperial officer should be obtained by the Imperial Government, and that they should have a choice of the officer, and that they should secure the best official for the purpose of making it.

Mr. Fleming.—I have been aware for several years that there are in the hands of the Imperial Government the strongest reports in favour of an alternative line. I have seen such reports myself. I have seen them since this Conference met, but they are confidential and cannot be produced.

Hon. Mr. Playford.—It is a very singular thing that the only report they have allowed to go out is the report of the Hydrographer, and he is opposed to it.

Hon. Mr. Fraser.—Surely, the report of the Hydrographer cannot be put against the report of General Wolseley. As I understand the position of the Hydrographer, it is from a mere commercial point of view altogether.

Mr. Fleming.—There are reports which have not been produced.

Hon. Mr. Thynne.—If you read the Hydrographer's report, you will see it does not deal with the strategic question at all; it only deals with the requirements of the cable for commercial purposes.

Hon. Mr. Playford.—Oh no. I have not got my papers with me to-day, because I did not anticipate anything more would be said about the cable.

Hon. Mr. Foster.—Then, Mr. President, we should arrive at some definite understanding. If you entrust the Canadian Government with the duty of carrying out the wishes of the Conference, according to these resolutions, what position is the Canadian Government to take when it comes to asking for a survey? Are we to ask the British Government to conduct the survey, and where? Are we to take Mr. Fleming's suggestion? We would like some definite instructions from the Conference in regard to this matter. Are we to take Mr. Fleming's suggestions, and ask for a survey from Vancouver to Fanning Island, with side soundings to Honolulu? If it is not that, what are we going to ask? If we make a request for a survey, we must indicate some particular portion of the Pacific Ocean we want surveyed.

Sir Charles Mills.—Would it not be wise to find out which is the cheapest and best route, and allow the Government to have the survey made whereever they think fit?

Mr. Lee Smith.—You want the plan of procedure defined as far as possible?

Hon. Mr. Foster.—I thought it was important we should state somewhere near the portion of the ocean we wanted to have them survey.

Hon. Mr. Thynne.—I do not think we can do more than has been done. I think the general line has been laid down by the discussion which has taken place. We want the shortest and quickest route. We want it through British territory, or under British control. That is a definition of itself, and defines the course of the line.

Hon. Mr. Playford.—The shortest route leaves New Zealand out.

Mr. Lee Smith.—We could get a line across.

Hon. Mr. Thynne.—The Admiralty will be able to select the most effective and best course to take. We have laid down, in a general way, that it is to be the shortest and quickest route, We want also, that the line should go through British territory, and be under British control. Those two definitions, practically, are sufficient for the Imperial and the Canadian Government, as guides for the direction in which the survey should be made.

Mr. Lee Smith.—Mr. Playford has suggested the position of New Zealand. So far as New Zealand is concerned, we have got two cables across to Australia. To make this matter complete, we would want to get possession of these two, or get an independent line, or, as a third alternative, go direct to New Zealand. If we are expected to contribute to this, we should have an independent line. With regard to Mr. Foster's suggestion that there should be some statement as to how we shall carry out Mr. Thynne's motion, let me say this: Even suppose we did not want a company to put it down and run it for themselves, why not advertise for somebody to lay the cable as a national concern, and to keep it in order for so many years. I think you would get plenty of offers within six months.

Hon. Mr. Suttor.—I think the point raised by the Hon. Mr. Foster is worthy of consideration by every member of the Conference, If we ask the Home authorities to survey a route, say from Vancouver to Fanning Island, and they report that the depth of water and the condition of the bottom make it easy to run a line from Vancouver to Fanning Island, we should not stop there; we should consider further the objections raised by some of the scientific people that it is impossible to work a line, profitably, of such a length. If we are to restrict our ideas to the survey of a line, irrespective, of the scientific objections raised, we may then find ourselves in the position that it is quite possible and easy to lay a line from Vancouver to Fanning Island, but the question of the practicability of working a line of that length may not have been considered. It seems to me, we must go further than ask the Imperial authorities to make a survey; we must ask them to ascertain from the highest possible authority whether we can profitably work a cable of that great length. If there is any doubt about that, we must then ask them to have surveyed an alternative line; but we cannot ignore the question of the practicability of working a line of that length. We may find ourselves in the

position that it is quite possible to lay a line, but it may not be practicable to work it. That will have to be considered in making the proposal we shall have to make to the Imperial authorities.

Hon. Mr. Foster.—The two, certainly, must go together.

Hon. Mr. Suttor.—Yes. We must ask the Imperial authorities for something more than the mere survey of the line. I am very glad to support the proposition made by Mr. Thynne, and, although it is not very definitely stated, I conclude his proposal embraces the suggestion that all communications with the Imperial authorities should be made by the Canadian Government. I should like to suggest, in connection with this, and I hope I shall not be considered out of place in doing so, that if the Canadian Government are going to make these representations through their High Commissioner in London, Sir Charles Tupper, they will permit to be associated with him the different Agents-General of the Colonies interested. We feel that our representatives in London should know exactly what is going on, so that they may report to their different governments the steps that are being taken from time to time.

The President.—You mean in connection with making the inquiries?

Hon. Mr. Suttor.—I am sure the suggestion I am making will be accepted in the same spirit in which it is made, that all the Colonies interested in this Conference may be represented in any communication between the Dominion of Canada and the Imperial authorities.

Hon. Mr. Foster.—Any communications the Government of Canada would make to Great Britain would not be made through Sir Charles Tupper; they would be made direct to the Colonial Office, and, very often, in regard to these things, we send the same information to Sir Charles Tupper, as our High Commissioner. We ask him to follow up the matter. Certainly, all the Colonies interested should have their Agents-General working in unison. There is no doubt about that. We will see to that.

Hon. Mr. Suttor.—If the communication is made direct, the Colonies will be informed of the steps taken as soon as possible.

Mr. Lee Smith.—What is it understood you are going to do, Mr. Foster?

Hon. Mr. Foster.—Give effect to these resolutions. I take it, that under that instruction, if it were considered advisable, in the first place—take one contingency, if we get a survey—that it is open to the Government, if it thinks best, to try to get at the cost of a cable by some such means as my friend Mr. Smith suggests.

Mr. Lee Smith.—That is the very thing I want. I think you will find that is the only practicable method.

Hon. Mr. Foster.—I mean, that under that resolution, if it asks for a survey, and the British Government come to the conclusion that they are not able to make that survey, and, in fact, do not make it, it is quite open for the Government of Canada to try to ascertain the cost of the cable, or what it could be constructed for, by some such means as my friend Mr. Smith suggested, by asking parties to tender. Or, it is perfectly competent for them to communicate with the Australian Government, and say, shall we carry on this survey alone?

Hon. Mr. Thynne.—Or, you may go further. Supposing you have the survey made, you may call for tenders as to the cost of laying the cable.

Hon. Mr. Foster.—Oh, yes, certainly, we would be obliged to do that.

The motion was then put to the meeting and unanimously carried.

THE BANKRUPTCY LAW.

Sir Henry Wrixon.—I wish to call attention to a subject which you cannot now fully discuss, but it arises in this way, and has reference to the law of bankruptcy in one or other of the countries, Great Britain, Canada, and the Colonies. This question was exhaustively dwelt with by the Colonial Conference in 1887. In that Conference, as members, there were eminent legal gentlemen. They obtained the aid of a counsel in London, of high authority, and they drafted several bills dealing with this subject; they also got opinions as to different questions that arose. The different suggestions there made have never been able to be given effect to, but, as we are sorry to say, there have recently been bankruptcies of companies carrying on business both in Australasia and Great Britain, which has rendered it exceedingly desirable that the law on this subject should be perfected, and all difficulties and ambiguities cleared away. There-

fore, without pledging this Conference to any view on the subject, which would not be reasonable, I simply wish to place on record our desire that the matter should be dealt with, calling attention to the exhaustive manner in which it was considered by the previous Conference in 1887. I feel that it is desirable that this Conference should preserve some continuity, and that when matters were taken up and dealt with, they should not be allowed to lapse, and that, if necessary, another conference may call attention to what has been suggested. With that short explanation, I beg to move, seconded by Hon. Mr. Fitzgerald.

That this Conference desires to call the continued attention of their respective Governments to the proceedings of the Colonial Conference of 1887 in regard to the bankruptcy and winding-up of companies, with a view to completing the necessary legislation upon the questions therein raised.

Motion carried unanimously.

FORWARDING THE RESOLUTIONS OF CONFERENCE.

Sir Henry Wrixon.—I beg to move, seconded by the Hon. Mr. Fitzgerald :—

That the Chairman be requested to forward the resolutions and proceedings of this Conference to the Right Honourable the Secretary of State for the Colonies and to the Premiers of the Colonies represented; and to take such steps as may be necessary for calling continued attention thereto.

That applies to all the business, so that the chairman be empowered to be our administrative hand to complete the work we have done.

Hon. Mr. Foster.—It is the same thing, in a general way, that you have done with reference to the cable, in order to make sure that things will go on.

Hon. Mr. Playford.—I will support the motion. I think the members of the Conference would very much like to be in a position to send a copy of the proceedings to their respective Governments at the earliest possible date. If we wait until you are in a position to send bound copies considerable time will elapse. Before I leave here I should very much like to have a rough copy, as long as it is a corrected copy. I desire to send a copy as quickly as possible to our Government. I feel quite sure the other delegates would like to do the same with regard to their respective governments. We may have to wait a month or two before we can get the bound copies to send out.

The President.—I do not think it possible to have the copies before the Hon. Mr. Playford leaves, in a state in which they should go out. They will have to be carefully revised, line by line. I will not wait for the bound copies, unless the bound copies can be got within a day or two. I can send them so that they will reach you in London.

Hon. Mr. Foster.—For weeks before we came together a great deal appeared in the papers of Great Britain, Australia, and Canada with respect to this Conference, as to what it was going to do, what the result would be, and public expectation with reference to the matter was somewhat excited. Great desire has been evinced in different parts to know what this Conference would do when it once assembled. As an evidence of that, the *Times*, a London newspaper, took the trouble of sending a special correspondent to Ottawa. The *Times* has been very friendly to this Conference, giving it extended notices, and prophesying good things of it. When the public mind is on the *qui vive*, and the Conference is just in session, or just about closing, is the time when the public mind will take in, better than at any other time, the results of the Conference, and do you not lose practically all the good effects by putting these in the shape of closed records, keeping them for four, six, or seven months? When it comes out then in the shape of a parliamentary paper is it not something which is so old that the newspapers will scarcely take cognizance of it, and the public mind will have cooled towards it? I think there is a good deal in that view. Special correspondents are here, the public mind is fresh, we are now about finishing our labours, and why should we not have all the good that is to come from this Conference, and simply let the newspaper men take hold of it, and work it up for all it is worth? Of course, with the exception of those confidential portions which we do not propose to give out. Is there any reasonable objection to that? If there is not, I am very strongly of the opinion that we are going to lose if we do not adopt that course. I am told that Australia is very anxious to know. They have sent their men here, and they are anxious to know what they have done, and they want to know *in extenso*. In fact, I violate no confidence when I say they have a correspondent here now authorised to send them column after column of the record of this Conference, and he knows nothing, and can know nothing, so long as the view

we have been acting under, so far, prevails. I think there was good reason, while this Conference was doing its work, that the public should not take it piecemeal, and interpose its criticisms, and so on. We have, however, practically finished, and that objection does not exist.

Mr. Lee Smith.—Before the Conference closes I would like to suggest that the same course be followed by the Chairman with regard to the mail service as we have authorised him to follow with regard to the Pacific cable, that is to say, if he fails to do anything better with Mr. Huddart's company, that he be at liberty to invite tenders, or take some steps to ascertain the best terms which can be obtained. A good deal has been said about what Mr. Huddart wants. The Chairman might, from inquiry, find out that other companies would take considerably less. I do not think it would be conferring too much power if we authorised him to take similar steps with regard to the mail service that we have suggested he should take with regard to the Pacific cable.

Hon. Mr. Foster.—One other point in regard to the proceedings. If we do not give out what takes place here we can rest assured of one fact, that for several days hereafter accounts will be put forth in the newspapers, American, English, and others, of what has gone on here, by people who really do not know. Consequently, a garbled view of the thing will really get before the public.

Hon. Mr. Fraser.—It is imperatively necessary, in my opinion, that this recommendation should be carried out, and that the press should have the information.

The President.—I am very glad the Conference has come to this decision, because I felt that I had placed myself in a rather false position the other day when I gave certain information to the press. I understood it was my duty after full discussion, and after a final conclusion had been arrived at, to give such information to the press as I thought would be of interest to the public. One of my colleagues thought I had exceeded the power with which I had been invested, hence I took very good care not to give further information of any kind. Last night, however, I thought that resolution in reference to trade was of such great importance, more particularly in England, that after receiving a note from the Hon. Mr. Foster, with which I fully concurred, I gave it in full to the *Times* correspondent. I gave it, more particularly, for the reason that he was sent here specially by the London *Times* to be informed of what was going on. After what you have said, as soon as I can look at these proofs, I shall place them in Mr. Parkin's hands, from which he will make such a synopsis as he pleases for the English and Australian press.

Hon. Mr. Foster.—Mr. Parkin is a man to whom you can give the proof as it stands.

Sir Henry Wrixon.—Is it understood that you will give that information, and that we will not individually give it?

The President.—I will see that it is done.

Sir Henry Wrixon.—If any one asks us, we will refer him to the Chairman.

THE DETAILS OF COLONIAL RECIPROCITY.

The Conference re-assembled at 2.30 p.m.

Mr. President.—Gentlemen, I am not aware that there is anything particular now before the Conference. I think the intention was that we should have a talk over trade matters more in the way of a conversation than any other. We were to have an informal talk.

Hon. Mr. Suttor.—I have to thank you Mr. Bowell, in your capacity as Minister of Trade and Commerce, for the permission you have given the members of this Conference to address you in an informal manner on the question of trade which we hope to establish in the future between Canada and Australasia. Although there are differences in the tariffs existing in the Australian Colonies and in Canada, there are many articles in which we might reciprocate in trade. You have a tariff here that imposes a duty upon many of our products, still, notwithstanding those duties, if you do not see your way clear to remove them wholly or in part, there are some things that are admitted free, and even with the articles upon which there are duties, I think a considerable trade might be established between the two. Our great staple industry in Australia is wool, and whatever may happen to the Colonies in the future and whatever

legislation may take place with a view to encouraging people to settle upon the land and occupy smaller holdings, I feel persuaded that even then we shall have more sheep within our territory than we now have held by our large landholders. I am glad to find, as regards the wool that is chiefly produced in Australia, that is merino wool, you have no duty here in Canada, and therefore it is a mere question of endeavouring to bring about a closer relationship between these two dependencies of Great Britain, to establish what will ultimately be a large trade in that commodity. We all know how you have succeeded in Canada in building up in your territory large manufactories, and it must be patent to anyone who reads the statistics of the Dominion that you are not at all likely at any time to find the necessary raw material that you require. As a matter of fact your sheep, instead of increasing, have been slightly decreasing, and you have only about 2,500,000 sheep in Canada. In the Australasian Colonies, we have now about 125,000,000 of sheep, and you can easily see that we have an enormous amount of wool at our disposal for export. It is not necessary for me to point out to you that the greater portion of our wool now goes to the foreign countries in the world. We export largely to Germany, France, Belgium, and other foreign countries, as well as having an enormous trade between ourselves and England. I must not forget to mention the great trade I hope will spring up between the Australian Colonies, and the United States of America now they have taken the duties off wool, a raw article that they require in large quantities. It does seem to me somewhat peculiar that, notwithstanding the large quantity of wool you buy, you have bought chiefly through other countries and not directly from the Colonies. You either buy in England or in the United States. If we are going to establish a direct trade between Canada and the Colonies, there is no reason why you should not enter into direct communication with the sellers, and in that way you will find, if you send your buyers to the markets of Sydney and Melbourne, that they will have a much better choice in the fresh raw materials than they can get in the more restricted markets in the United States and England, and they will buy the wool first hand from the producer. To give you an idea of the extent to which our markets are growing, I may tell you that all the great manufacturers of Europe send representatives to the Australasian Colonies, and they buy wool in such large quantities that I know instances where a single buyer has chartered an enormous steamer and filled her with bales of his own purchase. I have no hesitation in saying that before very long the great wool market of Australasia will be in Sydney and Melbourne instead of London. It is not necessary for me to quote figures to show that the great amount of wool sold at these centres is enormously increasing annually; and we believe in a short time it will be to the benefit of anyone who desires to buy wool in great quantities to send down to Australia and buy there direct from the breeders. I am glad to say that the Department of Agriculture in the Colony from which I come have recently sent up a number of samples of wool to Canada for your inspection, and I have no doubt you will place them in such a position that the people of this country generally will be able to see the quality of wool we produce, and ascertain whether it is suitable for the purposes for which they desire that product. I have no doubt a large trade can be built up in this direction, because the commodity here is absolutely free. There is another direction in which I think you might utilise the animal that gives us the wool, and, notwithstanding the duties that you now have on mutton, a large trade ought to be established, at any rate to British Columbia and considerably further east, in frozen mutton. You will understand this when I tell you that the amount the producers of mutton receive in the Sydney market is now about 2 cents a pound, and I am informed that in British Columbia and in Winnipeg mutton is selling retail at 14 to 15 cents per pound. I think you will see there must be a margin there, if we can bring into closer communication the consumer and producer than is the case at present. Although it does seem a large tax to be put on mutton——

Hon. Mr. Bowell.—It is an *ad valorem* duty now.

Hon. Mr. Suttor.—Two cents a pound on mutton as it was a short time ago, is 100 per cent. upon the cost price that the producer gets for it.

Hon. Mr. Foster.—Mutton is 35 per cent. *ad valorem.*

Hon. Mr. Suttor.—The original proposal was, I think, to reduce the duty from 3 to 2 cents, and that means 100 per cent. upon the first cost of the mutton as purchased from the producer. If it is 35 per cent. *ad valorem*, we are still in a better position than we were under the 2-cent proposal. If we can only assist the mail steamers now running between Australasia and Vancouver by giving them encouragement that will justify frozen chambers being provided, I believe a considerable amount of trade

will be done between the Australasian Colonies and Vancouver and further east than Vancouver. A great deal of the mutton they are now consuming in British Columbia comes from Oregon, but we are sure of this, that it is inferior to mutton received from the Australasian Colonies. In British Columbia, again, we ought to find a market for our tinned meats. There they consume about 150 tons per annum. Some of this comes from Eastern Canada and the United States of America. The naval station of the North Pacific, which is at Esquimault Bay, is a large consumer of tinned meats, and we may hope to induce the authorities to purchase some of our meat if it is as good and as cheap as that purchased elsewhere. There is also a large sealing fleet that is fitted out at Victoria, and there are a large number of lumbermen and miners who consume this meat in considerable quantities. Other commodities we may supply you with, are raw hides and skins of various kinds. Hides raw, whether dry, salted, or pickled, are admitted into Canada free, and, as we know perfectly well that you have a large trade with the United States in skins, it shows that you have to go outside of your own borders to supply your own market. I understand, at present the greater part of the skins used in Canada are received through the United States.

Hon. Mr. Foster.—A good many of these come up from the Argentine Republic and South America and they are treated as United States exports.

Hon. Mr. Suttor.—As they are free now, I think, from the great quantity we have at our disposal, we may ask you to favourably consider our claims to trade with you in this commodity, and your people have only to see the hides we produce to be convinced that they are as good at least as any of the hides they can get elsewhere. We have a considerable amount of trade with the United States in the skin of the kangaroo. It may not be altogether a waste of time to tell you that the kangaroo was considered such a pest a few years ago that we were paying so much a head for its destruction. Now they have become so scarce by the rising of the prices and the trade with the United States that before long these animals may be as extinct as your buffalo. We have only got to prove to you the wonderful durability of our timbers to induce you to use them for some of the purposes you are now using the soft woods of Canada. If you could only see the wonderful durability of some of these excessively hard woods in Australia, you would be in a short time convinced that, although you might pay more in the first instance for your railway ties, it would, in the end, pay you to import these timbers of ours, which are almost indestructible, and which will last practically for all time. Another purpose for which our timbers can be used advantageously here is for wooden blocks in the streets. We have tested and tried a great number of the different varieties of timber, and we find that these hard woods of Australia far exceed all other woods in durability for that purpose. The Mining Department of New South Wales has sent to the Canadian Pacific Railway people sufficient of these blocks to pave 100 feet by 50 feet, and when they put up their railway station in Vancouver, they have promised to lay these blocks as a test, and if any further test is desirable, I feel convinced the department will send you a supply if you will promise to lay them in some street that will give them a fair trial as to durability, and where they can be compared with the blocks you are now using. I may as well tell you the prices at which we can supply these blocks for paving purposes. I am informed by the Mining Department that these blocks can be put on board a ship for 10*s.* 6*d.* per 100 superficial feet.

Hon. Mr. Foster.—What is the timber ?

Hon. Mr. Suttor.—It is the different gums. The red spotted and gray gum, the blue gum, the black butt and box. Tallow-wood and turpentine ties can be delivered free on board in Sydney for 3*s.* 3*d.* each. Iron bark ties 9 feet by 10 inches by 5 inches would cost about 3*s.* 6*d.* to 3*s.* 9*d.* each.

Hon. Mr. Foster.—Can you tell us the durability of these ties ?

Hon. Mr. Suttor.—The iron bark would last fifty years. In buildings in Sydney they have taken out pieces of this wood which had been put in sixty or seventy years ago, and they were as sound as the day they were first placed in position.

Hon. Mr. Fitzgerald.—This wood is also proof against the attacks of marine insects.

Hon. Mr. Suttor.—Ties have been laid on railways for twenty years, and they are as sound to-day as the day they were laid. Now, in other matters, I think, Mr. Bowell, we may establish a trade on account of the reversal of our seasons. Our winter is your summer, and our summer is your winter. We think that, in the matter of fruit,

some trade may be opened; that such fruits as oranges, lemons, and possibly apples, may be sent to you.

[At this juncture some specimen blocks of Australian woods for street-paving were shown to members of the Conference, and one block of iron bark that had been down on a street for thirteen years was exhibited none the worse for wear.]

Hon. Mr. SUTTOR.—This specimen is iron bark, and is the hardest wood of the Eucalyptus family. Now, in the matter of fruit, I must admit that if we are going to be successful, we must warn our people not to send inferior fruit. We must see that our fruit is of the very best quality, and as marketable as the fruit sent from California and the Pacific slope or the West Indies. That is a matter of instruction to our California producers. I saw some fruit for sale in Vancouver which could not have been sold in any market in the Australian Colonies, and I was informed this fruit came from Tasmania. It simply shows that if we are going to open up a trade we cannot do so by sending our worst, instead of the very best, articles. I am informed by the officials of the Department of Mines that New South Wales can supply lemons, oranges, and mandarins in considerable quantities from the middle of May to the end of July, and, if the prices realized in Canada prove satisfactory, the quantity supplied could be increased to the extent of meeting Canada's whole requirements. The lemons would be of the main crop, a first-class fruit that would carry, and such as would keep if well packed. Oranges could be supplied not only from the middle of May to the end of July, but to the end of August or September if required. New South Wales oranges get sweet in July or the end of June. The dates during which mandarins could be supplied are from 1st June to the end of July. The prices are as follows for the fruit in orchard: Oranges 2*s.* to 4*s.* per gin case; lemons, 2*s.* to 5*s.* per gin case; mandarins (thorny), 3*s.* to 10*s.* per gin case; mandarins (Emperor), 2*s.* to 6*s.* per gin case. If properly packed for export, using the Californian standard case for oranges, the sum of two shillings per case should be added for picking, grading, wrapping, packing cases, and laths. Now, I think, we may say that butter comes under the head of an article of general consumption. It is not now considered as a luxury, and we may ask you whether we might not establish a trade in butter for your winter months. At any rate, we might supply the people of British Columbia with butter of a good quality, and, from reports that have been furnished to me, I find that your people in British Columbia say that the butter which they receive from Australia is far superior to that they receive from other quarters, and I understand that Australian butter of a good quality can be sold in British Columbia readily, at retail, from 30 to 35 cents per pound, and this is a price that will give a satisfactory profit to the Australian shippers. Then, again, there is another article that we are producing in large quantities, and later on will produce more extensively. You admit raw sugar up to a certain standard free, and as you have a considerable number of refineries, this article of sugar might be readily sent up here on our mail steamers.

Hon. Mr. FOSTER.—What does our standard run to?

Hon. Mr. SUTTOR.—I understand up to 14 Dutch standard is admitted into Canada free.

The PRESIDENT.—It has been raised to 16 Dutch standard under the new tariff.

Hon. Mr. THYNNE.—That would meet our sugar better.

Hon. Mr. FOSTER.—Do you refine very largely?

Hon. Mr. SUTTOR.—Yes, we refine very largely indeed. The Colonial Sugar Refining Company buy the sugar all over their Australian Colonies and from Fiji.

The PRESIDENT.—There is no reason why you should not send your tin here. We have none in this country.

Hon. Mr. SUTTOR.—I am glad you mentioned it.

Hon. Mr. FOSTER.—It comes in free.

Hon. MR. SUTTOR.—We have copper as well as tin.

The PRESIDENT.—We are consumers of a large quantity of tin in our canneries and fisheries.

Hon. Mr. SUTTOR.—I should like to mention two or three manufactured articles which you produce largely and in which we might trade with you. First, there is paper. There is no duty at all in the Colony I come from on paper, and you produce this article in large quantities which we can consume to a great extent. There is very little paper manufactured in the Colony I represent, and there is no duty whatever

upon printing paper. We have only to go through your mills to see the extensive dimensions that this manufacture has reached here, and there should be established a trade between Canada and the Colonies without any trouble in that article alone. We are depending almost entirely upon the outside manufacturer for the paper we consume. We are willing to trade with you if you can show that you produce an article equal to what we get from other places at the same price. You also manufacture large quantities of cotton goods. Cotton material in New South Wales is admitted free. We do not produce cotton, and therefore we do not encourage the manufacturer by putting a duty upon cotton material not made up. We want to bring cotton in as cheaply as possible, and there is no reason why we should not establish a trade in New South Wales in cotton fabrics, the only duty we have being upon made-up articles. Then, I conclude that if you send your salmon down to the Colonies it would come in under the designation of fresh fish if it was simply frozen. There is no duty upon fresh fish in New South Wales, and, if you can make arrangements to encourage a trade in salmon, there is no reason why we should not consume annually large quantities of the salmon you procure in British Columbia. We have now, in Sydney, chambers where this salmon can be kept for months at a time, and as other companies are building warehouses for the storage of frozen products, you will be able to send considerable quantities of these fish to the Colonies without risk.

Hon. Mr. Foster.—How is your canned salmon, does that bear a duty?

Hon. Mr. Suttor.—It does bear a duty, but the duty is not very much I am glad to have had this opportunity of offering these few remarks, in the hope that before very long our deliberations will culminate in a large trade being established between the Dominion of Canada and the Australasian Colonies.

Mr. Lee Smith.—Now that Mr. Suttor has advertised his wares at considerable length, and as I am the one who suggested this discussion, I shall be entitled to follow and bring before the Conference some of the articles which I think we can possibly interchange with you. I shall begin, sir, by observing that your wool tariff appears to me to be very prejudicial to the interests of my Colony. My Colony is very essentially a cross-bred-wool-producing country. You all know a great deal of the manufacture is now upon wools of the cross-bred character, not merino, but other wools known as cross-bred wools. I feel, if this tariff is left in this way, if you take merino wools free from other Colonies and tax cross-bred wools at three cents per pound, it will be antagonistic to the interests of my Colony. I wish you to take that into consideration, more especially as I am going to bring to the attention of Mr. Foster an instance of our liberality towards Canada which I do not think is equalled in any other Colony. I believe, besides New Zealand, there is no other Colony that admits agricultural implements free.

Sir Henry De Villiers.—The Cape of Good Hope does the same.

Mr. Lee Smith.—I am speaking of the Australasian Colonies, Sir Henry, and I was pointing out that for several years we have admitted into our Colony agricultural implements, and more especially reaping machines, free. A large quantity has come from the Massey-Harris Company, of Toronto, in fact 4,000 of one kind and another have been shipped to New Zealand from Toronto, and I think you should fairly respond to such liberality on our part by putting a product like wool upon the same footing with regard to our Colonies as you put merino with regard to the other Colonies. I think that is a fair claim. Coming to woollen goods, I may say that I brought with me on behalf of several manufactories in my Colony some sample products. New Zealand has led the way in the manufacture of woollen goods, and we have 700,000*l.* invested in woollen manufactures, one mill alone costing 200,000*l.* I have shown these samples to the people in Vancouver and elsewhere, and they say they are equal in every respect to anything imported from England or Scotland, being the very finest class of pure wool goods, both from merinos and cross-breeds. More especially is this so in our travelling rugs and tweeds for making men's suits. I have to ask you to see if you cannot put us in a better position with regard to woollen goods. I do not wish to exact a preference against Great Britain, but this is a line in which you could put us in a better position than you put France and Germany in. I have been told that, with a very slight reduction in our prices, there would be a large demand in Canada for these woollen manufactures which we are now producing in such large quantities, having the very latest and best machinery that can be produced. I come to the question of gum. Our country has a unique gum which has been largely used in the United States. The United States have been our best customers, but they

are falling off a little. We have had an income of 500,000*l.* a year from this product. When you learn that we have this superior article for varnish I believe you will do a large trade with us direct, for you already buy the same thing second hand through the United States. With regard to flax, you put raw flax on the free list. I may say that, although we take your timber free, and your agricultural implements free, you do not allow the manufactured articles in flax to come in free. We have something new and most unique with regard to binder twine in New Zealand. From the New Zealand flax fibre we can make a most suitable article in binder twine, and when we allow your agricultural implements to come in free, you might allow our binder twine to enter your country on the same terms. Then I come to basils, or tanned sheep skins. Our country being a producer of long wool, the skins of the animals are very much more useful for tanning leather than merino skins, and it is quite an important industry in my district, the tanning of these skins and putting them into the manufactured form of basil skins. That cannot be so well done if you let the skins dry and export them and tan them afterwards. They lose their vitality. I ask you whether you could not allow basil skin to come in free. If you do, I feel sure we should be able to do a very large trade with you.

Hon. Mr. Foster.—What are they used for?

Mr. Lee Smith.—The tops of ladies' boots, covers for couches, chairs, &c. It is an enormous trade. The sheep are large in our country, and the basil skins are worth that much more for that reason. Then in rabbit skins, I believe we can do a large trade with you in this direction. In the other Australasian Colonies there is a large supply of rabbit skins, but ours are better. I will explain how this is. Ours is a colder climate, and a winter skin is better than summer skin because the fur is longer and it makes a better article. Then, in meats, we could do quite a trade in frozen mutton. I have listened to Mr. Suttor and say, with all due deference to him, that he cannot get over the fact that New Zealand is the place for frozen mutton. Vancouver has got frozen mutton from New South Wales, and I will say no more than this, that the people of Vancouver do not know yet what juicy succulent mutton is.

Hon. Mr. Bowell.—A slight study has convinced me that Australasian mutton can be carried as far east as Chicago at a profit and pay the American duty.

Mr. Lee Smith.—Now, I think I have exhausted the leading articles of products that we have for export to Canada. Let us see what we can take from you. First there is fresh salmon. I had not had an opportunity of eating fresh salmon for a long time, and on my arrival in Vancouver there is nothing I enjoyed so much as the taste of real fresh salmon, and I have been almost living on it ever since. If you had a service in a direct line, with refrigerators and appliances on the boats for the storing of these fresh salmon, you would find an enormous business throughout New Zealand from north to south. Then there is another thing: I understand that you grow some good hops and in many cases your hops are quite equal to the Kent hops. We raise only a few of them in New Zealand and necessarily have to import some. Then a product has been mentioned by Mr. Suttor, namely, paper. Both the newspapers, the *Dunedin Times* and *Star*, get their paper from New York. They have transferred their business from Edinburgh to that city. These two newspapers have a large circulation, and the item of printing paper alone would be an important item. I have called at Eddy's mills, and I am satisfied, from what I have seen there, that there are opportunities of shipping large quantities of paper to New Zealand. I have indicated a few things I think we can do business with you in after we shall have established a communication and if we can carry out that communication we shall have a great deal more reciprocity between New Zealand and Canada than has yet been thought possible.

Hon. Mr. Fitzgerald.—It is needless to say, in the Colonies, as well as in Canada, we have strong expectations that we shall be able to widen our trade relations, and it is also needless to observe that anything in that respect that can be done shall be done, and this Conference has done a great deal to promote the objects in view by a personal acquaintance with each other, in order that we may inform our respective governments the points on which communication with each other are more likely to meet with successful results. Now, sir, speaking for Victoria and Tasmania, the articles that we produce certainly at the present moment do not seem to be of a very great scope, especially owing to the tariffs of the respective countries. Wool you admit free. I say that the rough timber in such a form that it could be exported is admitted into Victoria free.

Hon. Mr. Foster.—How about sashes, &c.?

Hon. Mr. Fitzgerald.—The difficulty will begin with regard to sashes. That is manufactured timber, and owing to the national policy of the country being to protect the manufacturing interests, any serious modification which will affect the industries established under that principle in the Colonies for the working of your rough timber into sashes, &c., would be very difficult. Canada adopts the same principle and must sympathize with Victoria, and understands the difficulty which will be found in both countries in granting a request which would interfere with the labour of either Colony. Now, I want to say, in the production of wine, that Victoria, with the exception of New South Wales, produces per acre a larger average than any country in the world. No, I am not correct in saying that. The production for Australia has an average set down at 190 gallons per acre. The production of South Australia is 160 gallons, while it is 237 gallons per acre in New South Wales, and 247 gallons per acre in Queensland. In France the average production per acre of wine is 133 gallons. Algeria gives the high average of 300 gallons per acre, and the Cape 220 gallons per acre. I allude to the return per acres, because an allusion was made in this Conference to the effect that Canada was about to enter into a treaty with France for the import of wine, and it appears to me that Australia ought to be able in this market with her wines to beat France or any other country.

Hon. Mr. Foster.—Do you export sparkling wines? Do you make sparkling wines?

Hon. Mr. Fitzgerald.—It is a new industry. It has not reached any dimensions yet. With regard to the Canadian duty, I do not think there would be any difficulty in coming to an arrangement with any of the Australasian Colonies with reference to that. It would give a great share of the trade with Canada instead of the United States as before.

Hon. Mr. Foster.—Do you do anything in condensed milk?

Hon. Mr. Fitzgerald.—Our milk production is so large it would be hopeless to expect to promise anything in that. The export of our butter has reached large proportions in the Colony of Victoria. Last year the value of the exports amounted to nearly 1,000,000*l.* sterling in butter, and the trade is growing larger, our butter bringing a very high price in the London market. With regard to fruits, Tasmania exported in 1891 175,000*l.* worth. Now, that would be much larger if the class of fruit were different. Stone fruits are chiefly grown in that country and the value of stone fruits in quantity is smaller than the other fruits, such as oranges, &c. I do not know whether the market here would be a large one for that fruit industry, at all events if by care and attention to the class of fruit exported a market would be established here which would be of advantage to that Colony. The whole question of this interchange of commodities appears to me to rest upon the carriage. If the cost of carriage is reduced, there is no doubt in the world Australia will be a large shipper of commodities that will suit the Canadians the best. In addition to this interchange of commodities, this important question should be considered. The cost of the carriage of fruit from Australia by the Canadian Pacific Railway to the more thickly-populated centres here in the east, such as Toronto, Montreal and other cities, would be a prohibition of its export. Shipments by the Eastern route are exceedingly rare. If arrangements could be made with regard to fruit, and the regularity of communication more facilitated, our trade relations could be much extended. I sincerely hope that this Conference will tend to bring about this desirable result.

Hon. Mr. Fraser.—No doubt, in time, a considerable trade will spring up. If this steam traffic continues we will have a larger trade than at present between Australasia and Canada. We do take at present largely of timber, rough undressed timber.

The President.—What do we understand by timber?

Hon. Mr. Fraser.—Timber in the bulk.

Hon. Mr. Foster.—What does that mean?

Hon. Mr. Fraser.—Huge sections of timber undressed, uncut, in the log. They are really beams. There are heavy duties upon anything that is dressed in Victoria. I mean in the bulk, just as it comes from the saw, squared timber. The duty is pretty heavy upon that, and there is a great outcry just now with the building trade in Victoria on account of the heavy duty imposed; but, in any case, we must get our timber from Canada or from the United States. We would all be delighted to divert our trade entirely from Canada to Australia instead of from the United States to Australia by a simple tariff arrangement. That can be easily done.

The President.—Can you tell me why in your tariff you declare that Oregon timber and lumber is rated at a certain duty and that British Columbia pine shall not be rated as Oregon timber? It is in reality the same.

Hon. Mr. Fraser.—My attention was drawn to that in Vancouver. I think it is perfectly absurd. The Douglas pine is Oregon timber.

The President.—I find in a note in your tariff the following :—"British Columbia is not to be described or entered as Oregon pine." Why is this?

Hon. Mr. Sutton.—Is British Columbia pine put at a disadvantage with Oregon pine?

Hon. Mr. Fraser.—Yes, it is. I do not know the reason. I learned it for the first time when I was in the Vancouver Mills. So far as timber is concerned, we must get the timber from Canada or the United States. At present we are not consuming much, because we are under a depression, but that depression will pass away and we will be all right again in a short time with regard to that. An arrangement might be arrived at with regard to the timber and some other duties. There is no reason why we should not take fish from Canada instead of the United States, as a lot of it is now got from the United States. There is no reason why we should not get it altogether from British Columbia if the transit charges are reasonable. I see great difficulty with trading on the eastern side of Canada on account of the overland transit charges.

Hon. Mr. Foster.—British Columbia has the fish.

Hon. Mr. Fraser.—Yes, in abundance. So has she got timber in abundance. There is no connexion just now between Montreal and Australia by water. I found that out in my negotiations with Mr. Eddy. I came here with the full intention of doing business with the Eddy Company Mills. I am not going to divulge business secrets, but I have asked for the lowest rate to Victoria on printing paper. We are large consumers of printing paper. The evening paper with which I am connected myself has a daily issue of 25,000, with an issue of 45,000 on Saturday, and the issues of the daily papers are very, very large.

Hon. Mr. Fitzgerald.—One paper uses nine tons of paper in its issue per day.

Hon. Mr. Fraser.—There are one or two papers in Melbourne with an enormous circulation. *The Age* has a circulation of 100,000 copies per day. It is only a matter of charges. I see great advantages to both parties if we can trade largely in paper. Here you get your wood, from which the paper is made, sawn by water power, and the whole thing is manufactured at a low rate indeed. A halfpenny per 1*l.* on the lumber, fish and paper would run into large figures, and I think a large amount of money could be made in this Australian trade. I have a statement from our Commissioner of Customs as to the duty upon petroleum oils. We have no such an item in our lists. A friend of mine in Toronto, who manufactures petroleum oil, said he thought a considerable business could be done under some trade arrangement. Then, again, you manufacture largely of matches. I have seen some of the matches manufactured here and they can be manufactured cheaply, and I do not see why you could not do business with us in that line. In harvesting implements, you can also get a good trade. I have used the Massey reaper and binder myself and it is a very excellent machine. The company have an agency in Melbourne, and the farmers are now crying out against the high protective duty, and Parliament is inclined to deal liberally with the farmers, so there is a probability of a lower duty upon reapers and binders. By and by, I hope we will manufacture pure grape brandy. There is no country on the earth that can make a purer or more honest straight brandy. We can manufacture very largely of brandy. We have commenced the manufacture of brandy at Melbourne on a large scale, but I am sorry to say that the Act authorising the incorporation of the concern is not so strict as to confine them to the manufacture of brandy from the pure juice of the grape. We can change the Act to compel the brandy to be from the pure juice of the grape. We can send you cheap tinned meats, and, as far as tinned meat is concerned, some objection can be made to our competition with Eastern Canada, but it is not possible for them in the east to convey these tinned meats over thousands of miles of railway. Tinned meats are now consumed largely in Vancouver and Victoria. As far as their seal fisheries are concerned, I think we ought to be able to supply all of that trade. There are a great many boats now fitted out with the meats from Chicago. We can beat Chicago hollow in that respect. We can beat them with regard to prices and we can beat them in that trade. Well, now, in frozen mutton we can send it to Canada, as far as the Pacific slope is concerned. We can send our meats for three or four or five hundred miles along the railway and do business in frozen mutton. In Vancouver, the best mutton we saw was frozen mutton from Sydney.

The President.—I dined on some Australian mutton in Vancouver, and was informed that 25 cents a pound was paid for it.

Hon. Mr. Fraser.—That is a severe reflection upon the Canadians. You can buy first-class mutton for 2 cents a pound at Victoria. Our mutton is retailed in Melbourne shops at 2 cents a pound if a woman chooses to go and take it from the shops. If she expects to have it handed in at the door by a trade butcher in his white apron, of course she has got to pay for that. She has got to pay for the style.

Sir Henry De Villiers.—How much?

Hon. Mr. Fraser.—3½*d.* or 4*d.*, perhaps. If it is a wealthy locality the price goes up, and if it is a poorer locality the price is considerably lower. You find that everywhere all over the world. The swells have to pay the full prices and the working classes, of course, pay very much less. The price is much cheaper in Queensland than in our Colonies. In New South Wales we have had to boil down millions of sheep, so you can understand at once how anxious we are to get rid of this meat. Supposing we send you the legs, we boil down the fore quarters into tallow, and the leg is solid. It is beautiful, juicy, fresh meat, which can be shipped in loads of fifty tons and turned into a lot of money.

Hon. Mr. Foster.—Take the large freezing establishments; what is the calculated cost of freezing.

Hon. Mr. Fraser.—Three-tenths of a penny is the cost of freezing, and there is a profit in that.

Hon. Mr. Forrest.—That is for the absolute freezing—that is not for the whole treatment.

Hon. Mr. Foster.—I mean the whole treatment.

Hon. Mr. Forrest.—That will depend to a certain extent on where the frozen meat is sold. The climate affects the cost. It takes about 2⅛*d.* per pound from the time you receive the cattle in the yards until the meat is sold in London.

The President.—Does that include the cotton which covers it?

Hon. Mr. Forrest.—That includes everything.

Hon. Mr. Fraser.—I was referring to the freezing charges. The figure I gave was about it. Of course there are other charges. It costs, to take the cattle from the yard to London in the frozen condition, 2*d.*

Hon. Mr. Forrest.—It costs a little less than that in Queensland; that is exclusive of London charges, but including freight.

Hon. Mr. Fraser.—We can handle that trade on the Pacific slope, I have no doubt about that. Tinned meat and things of that kind would run into a good deal of money, and I have no doubt a considerable trade will arise therein.

Hon. Mr. Forrest.—Addressing myself more particularly to the Canadian delegates, it goes without saying that we in Queensland are anxious to extend our trade with you. But I do not propose to waste either your time or mine by explaining to you that you have got certain goods to export. You are well aware of that. Nor do I intend to stand before you in the position of what your neighbours call "a drummer." If we can send anything to you and you to us, you will discover it and you will deal with us. I do not see the slightest good to be gained by a discussion of this sort. We have certain things which we produce and export, and we import a good many things which you export, and if we show when we come into close quarters that the things we produce can be laid down on favourable conditions, we presume you will take them. I shall briefly state the raw material which makes up the great bulk of our exports. In this connexion, a good many of the remarks which fell from Mr. Suttor would apply to the whole of the Australian Colonies, and I do not intent to repeat what he has said. Queensland's principal exports are wool, tallow, hides and skins, meats, frozen and tinned, copper, tin, silver, and other minerals. I have left out gold because that goes without saying. We export sugar and bêche-de-mer, and we hope soon to be exporters of butter and tobacco. I am well aware that there are some of these things which you produce for yourselves. The whole matter is contained in a most excellent report of Mr. Bowell in his mission to Australia, and you can find in that report all the information far better than I can explain it to you. I have told you what our chief exports are. It is now for you to say what you would like to send us. This will bring us to the point, and we will then be able to determine whether we can do business.

Lord Jersey.—Very well said!

Sir Henry De Villiers.—So far as the Cape is concerned, the list will be short, but I think the quantity would be considerable. What we have to offer is wool, which I think is admitted duty free. We can also offer diamonds. I do not know whether you require them in large quantities. We can offer you wine in any quantity you require, and we can supply you with fruit at a time when you cannot produce any for yourselves or obtain any on the continent. I think we have advantages over Australia, and that we can send you fruit at a cheaper rate to the eastern side of Canada, because they have the long land journey by the Canadian Pacific, which would swallow up a good deal of their profit. By the Atlantic we could send you fruit in any quantities. Agents of New York have been at the Cape recently. I met some of them, and they told me that they believed a very large trade could be carried on between the Cape and the United States. These agents have gone so far as to tell me that they intend putting on steamers during the season when California and Florida produce no fruit. He says there are forty days in the year when neither California nor Florida can produce any fruit, and he informed me that New York is a very large consumer indeed of fruit, not only a consumer, but a distributor of fruit all over the American continent. There is no reason why fruit should be distributed through Canada from New York. There is no reason why there should not be a direct service between the two countries for that purpose. On the other hand, what we receive from you, I think, chiefly, is lumber. Mr. Rhodes, who is greatly concerned in mining industries throughout South Africa, informed me, shortly before I left, that with the mining industries of South Africa, very large quantities of lumber will in the future be required. We do not produce it in sufficient quantities for ourselves, and he believes an arrangement might be made with Canada by which Canadian lumber could be imported into the Cape, duty free, if corresponding advantages were granted to us.

Hon. Mr. Foster.—Have you a duty on that now?

Sir Henry De Villiers.—I think there is a duty at present. Then, as to agricultural implements, there is no duty whatever. Hitherto, we have received a considerable proportion of our agricultural implements from the United States, where they are made very cheaply. These implements are considered very useful in South Africa. Since I have been here, I have ascertained that agricultural implements are made here quite as cheaply and quite as well as in the United States. Paper has also been mentioned. At present, I think, we obtain our paper chiefly from England, but if paper can be obtained so much more cheaply, and of equally good quality, in Canada than in Great Britain, there is no reason why a trade in paper should not be established. These, I think, are the only articles which we, on our side, would receive from Canada in large quantities. Of course, there might be minor articles, but I have thought it sufficient to mention those articles which are of that importance to be of value for trade purposes.

The President.—You are not a manufacturing country in the way of woollens?

Sir Henry De Villiers.—No. Wool is at present received here duty free.

The President.—But you do not manufacture wool.

Sir Henry De Villiers.—No, except very roughly; no finer articles.

Hon. Mr. Thynne.—It will not be out of place if I refer to what we have imported to Queensland from this continent during the last two or three years. Our imports from Canada were nothing in 1891; in 1892 they amounted to 842*l.*; and in 1893 they amounted to 1,340*l.* That is the total of our imports from Canada.

Hon. Mr. Foster.—It is a large per-centage of gain.

Hon. Mr. Thynne.—Yes, but it shows that it is quite insignificant. It might be of interest to you in Canada to know the class of goods we have imported actually from the United States during the last three years. I will be glad to give details, if you desire, but, in the meantime, I will just say that they include the following:—Agricultural implements, fire-arms, carriages and carriage materials, drugs and druggists' wares, preserves and articles such as salmon and dried fish, bottled and tinned fruits, dried fruits and raisins, furniture, hardware and ironmongery, iron and steel wire, and machinery. Then there is the largest article of all, kerosene. I would like to know whether there is any prospect of such an export from Canada of kerosene that would lead to a trade? We use it for lighting purposes.

The President.—Not at present. If the kerosene or coal oil is as extensive as we have reason to believe it is in the North-west territory, just under the Rocky Moun-

tains, then there is no doubt we will be able to compete with the Americans, but at present we cannot.

Hon. Mr. Thynne.—The value of the imports of kerosene in Queensland alone in 1891 was 34,582*l.*, in 1892 it was 19,000*l.*, and in 1893 it was 22,356*l.*

Hon. Mr. Foster.—There is no trade for us in that.

Hon. Mr. Thynne.—Then there are certain kinds of paper; and spirituous compounds of various qualities.

Hon. Mr. Foster.—Is the carriage item a large one?

Hon. Mr. Thynne.—Carriages and carriage materials in 1892 amounted only to about 3,500*l.* That is the import direct to Queensland.

The President.—You imported carriage materials to the amount of about 53,000*l.*

Hon. Mr. Thynne.—Not Queensland.

The President.—I refer to Australia.

Hon. Mr. Thynne.—I have a detailed statement made by our customs officer.

The President.—Do you know what the duty is upon carriage material in Queensland?

Hon. Mr. Thynne.—10*l.*, I think, upon every completed vehicle. Then, there is an item of wooden-ware. Those are the principal items which we have imported. I should be glad to place this list at the disposal of the Minister.

Hon. Mr. Foster.—I have been very much pleased with this informal discussion. It has taken the line, chiefly, of pointing out how trade may be developed between the Colonies of Australasia and Canada in raw materials which are now free, but the advantages and capabilities of which are not fairly well known to us, reciprocally; and, by opening up and widening the knowledge of the capabilities and existence of these articles, I have no doubt that an impetus will be given to the trade between the two countries in these respects. There are a number of things which have been mentioned, with regard to which I do not see why a good trade should not be done. I do not think you will be able to send very much of your butter here, except along the Pacific slope, where it will compete, to a certain extent, with butter from the eastern provinces, and perhaps a little from the United States. You ought to be able to do a very good trade under the present tariff, which we reduced very much last session, in frozen mutton, along the Pacific slope, because, hitherto, we have been entirely unable to supply them with the meat that they require, especially mutton, and they have imported it from the United States. I see no reason why you should not cut off a good deal of that trade which now comes from the United States.

Hon. Mr. Forrest.—What population is there?

Hon. Mr. Foster.—About 100,000, which is rapidly increasing, and there is this to be said with reference to British Columbia: one of its largest capabilities in the future is mining, and, as you well know, a mining camp, of a few thousand people, is an immense consumer, and that population would be continually increasing and will draw upon all such stores. With reference to fruits, I think, under the present condition, you ought to be able to do some trade with us, owing to the dissimilarity of seasons. In the short space of 10 or 12 years I can see an immense difference in the habits of our people with reference to the consumption of fruits. Probably that is noticeable everywhere, but fruit is being consumed, I mean imported fruit, where 10 years ago it was scarcely seen; and the dissimilarity of seasons will give you at least a good chance to compete in the western part of our country. With reference to fish, the British Columbia coast can send you any quantity of fresh salmon, and, certainly, you ought to get it from that coast in the best possible condition, better than you can get it from any other part of the world. And, with regard to all kinds of canned fish, I do not see why that is not one of the lines upon which we could make a reciprocal arrangement, because, as I understand it, your waters do not provide you with the fish you require. This would provide food for your people, and upon which any duty makes the cost greater; consequently, two things would be obtained, viz., you would give your people cheaper food, and you would add to the trade. If we can find something, as I have no doubt we could, upon which we could give you reciprocal treatment, there is a line of goods upon which I think something might be done, outside of raw material. In the matter of sugar I don't know what it will be possible to do. Raw sugar, up to number 16, is free in our country. Your competitors would be the East Indies along the Pacific coast, and Honolulu, but the great bulk of the Honolulu sugar goes into the United States under their present tariff, so that your chief competitor, in the raw

sugar, I should suppose, would be the East Indies. If you have direct steamship communication, it is quite possible you might send raw sugar in for the refineries of the British Columbia coast, to supply that portion of the country.

Hon. Mr. THYNNE.—Six thousand tons a year at Vancouver of raw sugar for the refinery supplies the whole of the western part of Canada. They get that sugar in different places; but I understand it is essential to them, in the present mode of conducting business, that they should be able to communicate, by cable, with the countries they get their sugar from.

Hon. Mr. FOSTER.—Without doubt.

Hon. Mr. PLAYFORD.—They can do that now.

Hon. Mr. THYNNE.—At great expense. Then, there is the distance. If there were a slight differential arrangement, it might be quite enough to divert the whole trade.

Hon. Mr. FOSTER.—Then, there is the trade in paper, and agricultural implements. Paper, as I understand it, goes free into your Colonies, and agricultural implements in some of the Colonies. There are two things in which Canada ought to be given a first-rate position in your Colonies, without adding to the cost of your implements at all, because Canada can make implements, and can make paper just as cheaply as any country in the world. There is an opportunity for a little differential tariff, giving to Canada a little advantage in your markets, in return for which we could pick out some of your articles and give you a preference in our markets. That, I think, opens up quite a field. And, certainly, quite a field is opened up in timber as well. There is, in your country, just simply the interest of the finisher, so to speak. Well, that is an interest which pits itself against the consumers of the nation and which builds up only a partial industry. It is not a complete manufacturing industry, so that, with reference to that, the claim of the whole mass of consumers is pretty strong towards making the protection on that as low as possible. If, in looking over that subject, you can also give us, in respect of that, a slight differential, you would be doing three things, in fact, you would not be destroying that industry, whatever it was, you would be helping the consuming classes, giving them a cheaper lumber, and putting us in a preferential position, for which we would be quite willing to give you something in return. I do not know whether you make many paints or not, or whether you consume paints largely.

Mr. LEE SMITH.—We do.

Hon. Mr. FOSTER.—Our paint business is rapidly increasing, and already our paint men are looking towards Australia in that respect. I suppose you have a duty on paints. That is another point in which a trade might be done. Also in drugs as well. In cottons, I had not particularly looked over your tariff, and I was a little surprised to know that cotton fabrics were free. Take, for instance, a large mill which is situated near Quebec; it runs entirely upon cotton for China and the East, and sends its cotton there, and competes with Great Britain and the United States. That shows you what can be done as far as producing cotton cheaply when the mill has a sufficient call to run entirely upon one single class.

Mr. LEE SMITH.—That is the secret in all manufacturing business.

The PRESIDENT.—Cotton is not free in all the Colonies.

Hon. Mr. FOSTER.—But evidently, they have only a little revenue duty, it is not for the purpose of building up an industry; and there is another chance in which a very slight differential would call upon our cotton producers to supply the markets and make them no dearer. With regard to binding twine, I am afraid we cannot offer much to New Zealand under present conditions. We have reduced that duty to 12½ per cent. on invoice prices. It is really a very small duty. If you have much of an advantage in raising the raw material and working it up, you ought to have a fair chance for our western prairie market. Then, with reference to wool, I do not want to go farther than the Government would be willing to carry me out, but I do not think there would be much difficulty in giving New Zealand a chance, if there is anything she can give us a compensating chance for in her market. You must take things now as being in *statu quo*. We are commencing to make a bargain, and this wool business, I think, could be arranged so that you could get a differential on that, and I do not know how far it might go; it might go clear to the line of freeing it, in return for a corresponding advantage that you might give us upon something we send to you.

Mr. LEE SMITH.—The other Colonies have free entry for wool, although they tax agricultural implements.

Hon. Mr. Foster.—That is a little advantage we have over you, in making the bargain, which we have not got over them. I do not know of anything else that I can mention. Of course we can give you all the timber you can take and of the very best quality. There is one thing I hope to see at once arranged in Victoria, and that is the discrimination against the British Columbia timber as compared with Oregon timber, which is, of course, unfair, but it may be a *quid pro quo* would be required, and, if so, we would take that into consideration as well, but with reference to timber, we lie right along the Pacific coast, and British Columbia is the greatest timber-producing country of the world, timber of the very best quality, and I do not see why there should not be a very large trade between the two countries. In a great mining country like the Cape, it seems to me, as Sir Henry de Villiers has said, that we might pick up a pretty good trade in timber with our Cape Colony sister. I have been very much pleased at the turn of this informal discussion, very much pleased indeed, and we have settled, so far as we can, the laying down of general principles upon which we may proceed, and our desires are at one in this respect. I do not think there is a discordant note. I see no reason why, during the next year or so, when our powers are all well defined for us, and given to us, as we hope they will be, and we come to compare notes, we should not add a very great deal to the trade between these two great sections of the Empire.

Hon. Mr. Sutton.—Before this informal meeting comes to an end, I should be glad if you would furnish us with any reports you have upon the different articles and materials brought from Australia by you for the purpose of having them reported upon here. You said the other day you had reports in regard to tobacco and wine. I understand these reports are not favourable, still I think they would be valuable to us.

The President.—The test was with reference to the Victoria wine. I have never taken it out of the cases, except a sample for the official analyst, and he has made his report. I did not take it out of the cellar, for the reason that the gentleman who sent it to me told me I had better let it remain in the cellar for six months. I do not look upon this report as being unfavourable, other than so far as its effects what might be considered the natural juice of the grape.

Hon. Mr. Fitzgerald.—And the purity of the wine.

The President.—You will see he comes to the conclusion that they are all fortified, which may be the result of allowing the spirit to remain in the wine after fermentation, or it may have been by adding the spirit afterwards in order to keep it. He does not know which. He tested two of the samples and pronounced them nearly pure. I shall be glad to furnish any of you with copies of this report. The report upon the tobacco was as unfavourable as it possibly could be. The tobacco obtained was placed on board at Sydney. I had it tested in Vancouver by a tobacco manufacturer, I had it tested by Mr. Turcotte, one of the largest tobacco manufacturers we have in Canada, and by Mr. Davis, a cigar manufacturer in Montreal, and also by Mr. Macdonald of that city, and they also pronounced it unfit for use in this country. I have very little to add to what has been already said by my colleague, with reference to this trade question. Trade is developing, and that, too, rapidly, even more rapidly than could have possibly been anticipated. If we bear in mind that we have had no connexion whatever with the Australian Colonies until last year, except by occasional sailing vessels, which used to take lumber and timber to Australia, we can easily see that we could not, by any possibility, have any extensive trade with that country. Articles that you have produced and exported have been purchased by us, no doubt, very largely, but they have been purchased, as indicated a few minutes ago by Mr. Fitzgerald and Sir Henry Wrixon, either in London or in the United States. The same remarks will apply to the Cape. We have sent some lumber to the Cape. I am very sanguine that if we had a direct line between Canada and the Cape we could build up a large trade. When you look at the map, from Halifax to the Cape, you will find it a less distance than from Vancouver to Sydney. We have established a direct line between Sydney and Vancouver, and I hope the day is not far distant when, by some re-arrangement—I scarcely dare suggest anything like an increase of expenditure while my friend is on my right, who is anticipating a deficit, but I think the subsidies which we are now paying to certain lines of steamers, and which are giving no adequate return for the expenditure, can, by a re-arrangement, with the expenditure of a few dollars more, enable us to assist in establishing a direct line from the Cape of Good Hope to Halifax and St. John.

Hon. Mr. Foster.—Reciprocity.

The PRESIDENT.—Yes. I would like Sir Henry de Villiers, and his colleagues, to consider whether their Colony would not be prepared to assist Canada in establishing a direct line, whether by steamers or any other class of conveyance I am not at the present moment prepared to say; but if you look at the different islands, which, by a little diversion of the route, they could touch, and to reach which we now subsidise certain lines running from the Maritime Provinces, I believe we could have a monthly line of steamers, or a conveyance of some kind, that would prove profitable, and that would build up a trade that does not now exist. As Sir Henry de Villiers said a few moments ago, they are not a manufacturing country. It is a question for us both to consider whether or not we could not furnish them with certain goods that we manufacture here, sending them as direct from Halifax as they can from England. If we can, they will buy from us. We have now established a line from our western shores to Australia, and I hope ere long, with the aid of the Cape of Good Hope, to see a direct line from the eastern shores of Canada to that Colony. We have to begin. It is all very well to say, and I say it with all due respect for those who hold different opinions, that because we have had no trade in the past, therefore it is folly to try and build up a trade now. Why, over 40 years ago, Upper and Lower Canada, before we were confederated, gave 100,000*l.*, Halifax currency ($4 to the pound) to aid in the establishment of a direct line of mail communication between Canada and England, that is, the Allan line. Many of these steamers have gone into disuse, almost, except for freight, and the result has been that all our mails are now going *viâ* New York. The other day I received a letter from an adopted daughter in London, and on the corner of the envelope was written "*viâ* New York." We are sufficiently proud of our country, and we have strong enough national feeling to believe that communications, even of that kind, should go through our own territory, and not through a foreign one. You will excuse me, if I say—perhaps this is the last opportunity I may have of addressing you—that I have been very forcibly impressed with, shall I say, a want of unanimity on the part of our Australian friends? I am only repeating now what I said a dozen times when in your Colonies. I find that in New South Wales when anything was proposed which might, for the moment, militate against their interests, they would say, "Oh, our Colony is not interested in that." I found Queensland and Victoria just the same. Each one having its own individual interests to look after.

Hon. Mr. FRASER.—Victoria has gone in.

The PRESIDENT.—The New Zealand delegate has taken a wider, and more comprehensive, or Imperial and national view, which has pleased me, although I have not the slightest sympathy with his free trade notions. Suppose that we, in Canada, allowed similar feelings to interfere when it is proposed to give a subsidy for the development of trade from any particular part of Canada; we should never develop our trade. Why, when we proposed to give 25,000*l.* sterling for the establishment of direct communication between British Columbia and the Australasian Colonies, we did not have our friends from Pictou, and our friends from Halifax and St. John saying, "Of what "good is that to us, that is 3,000 miles to the west of us?" That would be the question, if we were separated, as you are. The same remark would be made with reference to Ontario. Ontario is the great taxpaying portion of this community, speaking as a province, as compared with the rest. The same with Quebec. But the people of Canada, since Confederation, have come to this conclusion, that whatever tends to the development of our country as a Dominion, whether it affects them directly and individually or not, they are prepared to give their mite to assist. Hence, we do not find British Columbia raising any objection to our subsidising a line to tap the trade and the business of the West India Colonies, or any of that section of the country. Halifax, St. John, New Brunswick, Quebec, and Ontario, never said a single word, but when the Finance Minister proposed that 25,000*l.* should be given for the establishment of the Australian line, Quebec said Amen; and that is just what you ought to do. We, in Ontario, we in Quebec, and even as far as the Maritime Provinces, expect to benefit by that, and in this way: We sent no less than 8,000 machines, and parts of machines, from Ontario last year into the Australian Colonies, New Zealand, and Tasmania. Three or four years ago we sent about eight machines. That shows how a trade can be developed. The Canadian Pacific Railway have acted very generously. They have treated the Massey-Harris Company, who have exported largely, well. They have said, "We will do the very best we can for you"; and the very steamer in which I sailed across the ocean waited some 12 hours for eight car-loads of machinery, in order to get it into your country before the harvest began. Had that

line not been established Mr. Massey would have had to place them on board a vessel, either in New York, Boston, or Portland, and he would have had to send them six months ahead, or not have got them into your market. I give you that as one illustration. Then, as my friend Mr. Foster has said, there is the paint industry. The paint manufacturers of Montreal told me, a short time ago, that they were then preparing to export largely to your country in the way of paint. That is just the beginning. I am very sanguine myself—some people say it is my hobby, however, it is well for every person to have a hobby, and if they stick to it they are apt to succeed, if they live long enough, and I am quite positive that the time is not far distant when my hopes will be realised. We must not expect trade to grow in a moment, but give it 8 or 10 years of a trial, and, with liberal aid to begin with, the result will be precisely as it has been. The Hon. Mr. Thynne has illustrated with reference to the subsidising of mail routes. Hon. Mr. Thynne has shown by statistics and figures that they commenced with a subsidy of 60,000*l*., and by the development of the trade which follows the mails, last year it was reduced to 19,000*l*. Our friend from New Zealand gave us a somewhat similar illustration. So it is with trade. My desire as a British subject is to see the Colonies trade among themselves, and with the mother country if she will let us, and if she will not allow us to give her any advantages over other countries, all I can say is, as an Englishman born, I pity her. But if she is determined not to do that, and thinks it is to her interest not to do it, all we have to say is, let her release us from the bondage under which we labour, and let us trade among ourselves. We are large enough, we are old enough, we are rich enough, and we are industrious enough to provide each other with that which we require, not only for sustenance but for living in every way. I do not hesitate to say, if I wanted to buy anything I would rather buy it from my friend than from my enemy. With reference to fruit I will say one word. As an illustration of what may be done—and it applies as much to the people of the Cape as it does to Australia—let me tell you this: I procured some oranges at Sydney which had been brought some 30 or 40 miles. They laid in my room for about a week; I had them packed up and sent to my son in Vancouver. He told me that the parties on board the steamer forgot to give them to him immediately on arrival, but they were given to him before the steamer sailed, yet there were only one or two spoiled out of the whole box; and mind you, they had been trundled in a waggon for 30 or 40 miles before they reached me in Sydney; they had been tossed down in a bag in my room, and remained there about a week before being shipped. Yet our friends in Canada pronounced them delicious. When at Fiji we had a large quantity of fruit put on board. It was in December when we reached the mountains, with the thermometer 20 or 30 below zero. I brought two cases of pineaples from Fiji. I distributed them in Winnipeg, in Toronto, in Belleville where I live, in Montreal, and I sent some of them to the Governor and to the Ministers. They were universally pronounced by every one who tasted them as the most delicious they had ever eaten. I wanted to prove that by a little care, and by a little attention, even these delicate fruits can be brought from the antipodes and circulated in this part of the world, even when the thermometer is 20 or 30 degrees below zero; and when you reflect that they are of a better quality than you can get from the West Indies or Florida, you can easily understand the price they would bring at that season of the year. The same applies to bananas. We are singularly situated in this country. New South Wales has its orange groves, and they are as fine as any I ever saw in Southern California, with a better quality of fruit, and there is no reason why they should not, particularly if we had a little differential duty, take the place of the Southern California oranges, and supply the whole of our North-west territories, which, ere long, will be inhabited by millions of people. You have there to compete with the Florida and California fruits. A slight differential duty, of say 10 per cent., would turn the whole trade into your country. The same, to a great extent may be said of Cape fruit when sent to the Maritime Provinces, because there it would have to compete, to a certain extent, with Jamaica and the West Indies, and other fruit-growing countries. But in sending fruit to Canada, you have to do what one gentleman said a few moments ago; your fruit grower must not fancy that we in Canada do not know what good fruit is, and when they send the rubbish, as our friend says, was done from Tasmania, you must not expect to get anything for it. As to apples, I do not suppose there is a country that can produce better apples than we do. There are scores of things in which we could trade profitably with each other, if we establish a means of communication by which we can reach each other cheaply and rapidly.

Hon. Mr. Foster.—Lord Jersey has been sent here by the Home Government to be present at our deliberations, and, I am sure, to the great pleasure and great profit of the members composing the Conference. In very few words I would like to say how deeply we have felt the kindly and gracious way in which he has mingled with us and taken part in our discussions, and we recognise the great assistance he has given us. I wish to move that this Conference tender a vote of thanks to Lord Jersey for his kindness in attending here with us.

Hon. Mr. Suttor.—Mr. President:—My fellow delegates will not think it presumptuous on my part in rising to second this resolution. We have already said how delighted we from Australia were to know that England was to be represented by the Earl of Jersey. It would have been impossible for the Imperial Government to have nominated any one whose appointment would have met with more general approval in the Australian Colonies than did that of the Earl of Jersey. I have very much pleasure in seconding your resolution, and I am sure every one of us wishes that Lord Jersey may be long spared to serve his country in the future as he has so faithfully done in the past.

The President.—Lord Jersey has endeared himself to the whole of us. I was assured when I was in Australia that he had won the hearts of the people there. When I mentioned to His Excellency the Governor General, that Lord Jersey would represent the Imperial Government, he said to me, "You will find him a gentleman with whom "you can not only negotiate, but with whom you can interchange your opinions freely; "he has a practical knowledge of the wants of the Colonies," and, in a word, he looked upon the selection as one of the best that could be made. I am only too pleased to say that that prediction has been fully verified.

Motion carried unanimously.

Lord Jersey.—Mr. President and gentlemen:—The very kind allusion, which has been tendered in such flattering terms, makes me most grateful to every one of you. It is impossible for me to express the pleasure it has given me to be present at this Conference. This is not the time for me to review our work, but you may feel assured that when the time comes it will not be reviewed in a less friendly manner because of the way in which I have been received. We have all worked heartily together. Every delegate has expressed his views. Though I have not been privileged to express any definite views of my own—to that extent I had my hands somewhat tied—yet I believe good will result from our deliberations. I can assure you that to me, personally, it is very gratifying to find, although I have left Australia, that my friends have not deserted me, and I can only say, both to my Canadian friends and my Australian friends, that I shall never desert them. There is a certain amount of sadness when resolutions of this nature are being passed. We are all sorry, in one sense, to finish what has been a very pleasant and, I trust, a very useful occupation. I feel, gentlemen, that our work would not have been carried on so pleasantly if it had not been for the genial courtesy with which our president, the Hon. Mackenzie Bowell, has treated us. If the hand of the clock had not been advancing so rapidly, I should like to have dwelt at greater length upon the manner in which you, sir, have presided over our meetings. I can assure you, that I express the opinion of every representative at this table, when I say that we are deeply grateful for the manner in which you have performed your task. This Ottawa Conference will undoubtedly stand forth, not only in the history of Canada, and the history of Australia, but it will stand forth in the history of the Empire, as the first great step drawing together in friendly feeling every portion of that Empire. And, Mr. Mackenzie Bowell, it will be your pride to think that you have presided over such a Conference. If our work results as we hope it will, you may well feel that you have not worked for the public in vain, but that you have worked for Canada, and for the Empire; and, there is no prouder boast, which any public man can have, than to say he has been instrumental, to a great extent, by his own individual energy and efforts, in carrying out an object which so many millions have at heart. Therefore, I will ask the gentlemen present to accord to you a most hearty vote of thanks. And, before I put that vote, I may be allowed to express, what I believe is also the feeling of each one here, the pleasure we have had in having the assistance of the Hon. Mr. Foster. The Hon. Mr. Foster has, in the clearest and most definite manner laid down his views, and the facts he has brought before us have assisted this Conference in the most material manner. We who will shortly be going across great oceans, will carry with us the firm conviction that Canada possesses statesmen of the highest character

and ability, and we trust the example which they are setting, at the present day, will be continued for generations to follow. With these few inadequate words, I will propose that we give our most hearty thanks to the Hon. Mr. Mackenzie Bowell, for the able manner in which he has presided at our Conference.

Sir Henry de Villiers.—Any words of mine would but lessen the effect of the eloquent language which we have heard. I shall therefore content myself with simply seconding the resolution.

Sir Henry Wrixon.—I should not have risen, were it not that I want to advert to one point which, I think, if possible, has enhanced the respect which we Australians feel for our honoured President. We all recognise his impartiality, and the marked ability with which he has presided over us. In his parting address he directed to us, Australians, some few words of wisdom, when he adverted to the disunion, which, as he observed, more or less marked the communities that exist in the Continent of Australasia. His frankness in doing so does not diminish, in the least, the respect which we feel for his character; it rather impresses us more with a feeling of his honesty and truthfulness, for it is not to be denied that we in Australia do labour under that disadvantage, and if a tinge of sadness could at all mingle with our thoughts, it is to notice your great union over the whole of this vast Dominion of Canada, which union we in Australia have not yet attained; however, it must be remembered that we are working towards it, and in time, no doubt, we will accomplish it. If anything can assist us in accomplishing it, it is the example which we see here, and that example is not a little identified with the long and historical career of the Chairman himself. Therefore, as statesman and Chairman of our Conference, I think we will heartily join in the tribute which is proposed to him.

Lord Jersey.—It is carried unanimously.

The President.—I need scarcely say that I feel extremely gratified by the manner in which you have adverted to my humble efforts to bring about a meeting of our brother colonists from the different parts of the British Empire. If I had done no other act in my life than this, I would be amply rewarded by the success which has so far attended our efforts. I have been but a humble instrument in bringing together the members of this Conference. I have been aided and assisted by my colleagues, by the Premier and others, and by none more than by my friend the Finance Minister, who takes a deep interest in all trade matters. If the result of this Conference is that which I fondly anticipate it may be, I shall be amply repaid for anything I have done in bringing together representatives from different portions of the Empire, the success and glory of which I have so much at heart. I can assure my friend, Sir Henry Wrixon, that the remarks I made were not intended to cast any censure upon those who may have differed upon questions which came before this Conference; my remarks were more for the purpose of pointing out the absolute necessity of a great continent like Australia joining together and speaking, when they go to a future conference, as Mr. Foster and myself speak when we are here, for the whole Dominion from the Atlantic to the Pacific. I came to this conclusion from my hurried visit, and a somewhat busy one, to your Colony, that you have nothing to prevent a union between all the Colonies and the mainland, that you have none of those difficulties to surmount and overcome which presented themselves to the Canadian statesmen when they undertook the great task of uniting the distant and separate provinces of Canada. You will bear in mind that the maritime provinces were separated by an ice band for six months in the year, which practically prevented the possibility of reaching the central portion of Canada, except through the United States. You then had between Canada and the Great North-west Territories, which were not then in the Dominion, another almost impenetrable barrier of rocks, wood, and ice. Then you had the Rocky Mountains to overcome before reaching the Pacific coast. In addition to that, we had that which is equally difficult to overcome, race difficulties and religious difficulties. The great men of the day, Sir John Macdonald, Sir George E. Cartier, the late Hon. George Brown, and the Hon. Alex. Mackenzie, the two latter being the leaders of the Liberal party, undertook to forget their differences, from provincial stand-points, laid down the hatchet, met as brethren, and came to the conclusion to make one grand Dominion. You have an evidence here to-day that they succeeded. My remarks were intended more, if I may say so, as a father to his son, as advice, or perhaps it would be more correct to say, advice from one brother to another. I make this little explanation, because I think my friends in Australia gave me credit for talking very plainly when in their country. The last shot I got from one of the Sydney papers was that it was somewhat strange a gentleman should have come 10,000 miles to teach them what

they should do, but it added this proviso, "what he stated was correct." I was quite gratified to know, that though it might be considered a piece of presumption for a stranger to suggest, much less dictate, that the leading paper of New South Wales added the addenda, that the advice I gave them was quite correct, and that they ought to follow it. I thank you again, and in closing this Conference I can only hope and wish you may all return in safety to your homes and to your families, none the worse for your visit to Canada; that the blessings of the Almighty may follow you in after-life, and that great benefits will come from your visit to these, which have been sometimes called the frozen, regions of Her Majesty's Empire.

Hon. Mr. THYNNE, seconded by Mr. LEE SMITH, moved that a vote of thanks be tendered to Douglas Stewart and J. Lambert Payne, the Secretaries of the Conference, for the efficient service they had rendered during the proceedings.

The PRESIDENT put the motion to Conference, and it was carried unanimously.

The Conference closed at 6.15 p.m.

Enclosure No. 2 in (A).

Acting on instructions given by the resolution of the Conference, the following advertisement has been inserted in the *Times*, the *Canadian Gazette*, the *Electrical Review*, and *British Australian* of London:—

THE PACIFIC CABLE.

The Government of Canada invites cable-manufacturing contractors and others to state the terms upon which they will be prepared to lay, and maintain in efficient condition, a submarine electric cable across the Pacific from Canada to the Australasian Colonies.

General conditions under which the offers are to be made may be ascertained on application at the Department of Trade and Commerce, in Ottawa, or at the office of the High Commissioner for Canada in London.

Offers addressed to the undersigned will be received by him until November 1st, 1894.

MACKENZIE BOWELL,
Minister of Trade and Commerce.

Ottawa, August 6th, 1894.

GENERAL CONDITIONS.

1. At the Colonial Conference, held in Ottawa between June 28th and July 8th (inclusive), a series of resolutions were passed relating to the Pacific cable (copies appended). It was resolved, amongst other things that immediate steps should be taken to provide direct telegraphic communication between the Dominion of Canada and the Australasian Colonies. At the unanimous request of the delegates present at the Conference, the duty of giving effect to the resolutions passed, and the views expressed, devolved upon the Canadian Government.

2. In order to obtain definite data to enable the governments concerned to consider and adopt the best means of carrying out the undertaking, the Canadian Government deems it expedient to invite proposals for establishing the cable in three different forms, viz.:—

FORM A.—*The cable to be owned and controlled by Government; to be worked under Government authority, and to be kept in repair by the contractor for three years.*

Cable-manufacturing contractors to state the lowest cash price for which they will be prepared to supply and lay the cable, the terms and conditions upon which they will guarantee its permanency, and the annual payment for which they will maintain it in efficient condition for three years after the whole line shall have been completed and put in operation.

FORM B.—*The cable to be owned, maintained, and worked by a subsidized company.*

The contracting parties to find the capital, establish, work, and maintain the cable in efficient condition, for a subsidy to be paid to them annually for a term of years, by the contributing governments. The offers to state the amount of subsidy to be paid yearly, and the number of years it is to be paid. The maximum rates to be charged on messages to and from Great Britain and the Australasian Colonies shall be as follows:—Three shillings per word for ordinary telegrams; two shillings per word for Government telegrams; and one shilling and sixpence for press telegrams. The charges on messages between Canada and the Colonies to be proportionate.

FORM C.—*The cable to be owned, maintained, and worked by a company, under a Government guarantee.*

The contracting parties to find the capital, establish, work, and maintain the cable in efficient condition. The offers to state what guarantee of gross revenue will be required; the difference between gross earnings and the amount guaranteed to be made good each year to the company by the contributing Governments. The rates to be charged for the transmission of messages to and from Great Britain and the Australasian Colonies shall be as follows:—Three shillings per word for ordinary telegrams; two shillings per word for Government telegrams; and one shilling and sixpence per word for press messages. Trans-Pacific messages to be charged at proportionate rates. The tariff of charges to be approved and not changed unless by Governmental sanction.

ROUTE OF CABLE.

Offers will be received for laying the cable of each of the routes described as follows:—

Route No. 1.

Commencing at Vancouver Island the cable to extend to Fanning Island, thence to a suitable island in the Fiji Group. From Fiji to Norfolk Island, and at that point the route will bifurcate to the northern part of New Zealand, and to a convenient point near the boundary between New South Wales and Queensland.

	Knots.
Vancouver Island to Fanning Island	3,232
Fanning Island to Fiji	1,715
Fiji to Norfolk Island	1,022
Norfolk Island to New Zealand	415
Norfolk Island to Tweed Mouth, near boundary New South Wales and Queensland.	761
Total	7,145

Route No. 2.

From Vancouver Island the cable to be laid to a small unoccupied island indicated on the charts as Necker Island, situated about 240 miles westward from the most western island of the Hawaiian Group, and about 400 nautical miles from Honolulu. From Necker Island the cable to extend to Fiji, and thence, as in route No. 1, to New Zealand and Australia. On the section between Necker and Fiji possibly Howland Island or Baker Island may be available for a mid-station, but the exact position has not been ascertained.

	Knots.
Vancouver Island to Necker Island	2,431
Necker Island to Fiji	2,546
Fiji to Norfolk Island	1,022
Norfolk Island to New Zealand	415
Norfolk to Tweed Mouth	761
Total	7,175

Route No. 3.

As in route No. 2 the cable to extend from Vancouver Island to Necker Island, thence to Onoatoa or some one of the eastern islands of the Gilbert Group. From this station in the Gilbert Group two branches to extend, one to Queensland and the other to New Zealand. The Queensland branch to touch at San Christoval Island in the Solomon Group, and terminate at Bowen, connecting at that point with the land lines, easterly to Brisbane and Sydney, westerly to the Gulf of Carpentaria.

	Knots.
Vancouver Island to Necker Island	2,431
Necker Island to Onoatoa (in Gilbert Group)	1,917
Onoatoa to Fiji	980
Viti Levu to New Zealand	1,004
Onoatoa to San Christoval (Solomon Group)	953
San Christoval to Bowen, Queensland	980
Total	8,265

Route No. 4.

As in routes Nos. 2 and 3, the cable to be laid from the northern terminal point to Necker Island. From Necker Island to extend in a direct course to Bowen, touching at Apamana, a central island in the Gilbert Group, and at San Christoval, of the Solomon Group.

	Knots.
Vancouver Island to Necker Island	2,431
Necker Island to Apamana (Gilbert Group)	1,865
Apamana to San Christoval (Solomon Group)	970
San Christoval to Bowen, Queensland	980
Total	6,246

Route No. 5.

As in routes Nos. 2, 3 and 4, the cable to run from Vancouver Island to Necker Island; from Necker Island to Fiji, thence direct to New Zealand.

	Knots.
Vancouver Island to Necker Island	2,431
Necker Island to Fiji	2,546
Fiji to New Zealand	1,150
Total	6,127

Route No. 6.

From Vancouver Island the cable to extend to Honolulu; from Honolulu to Fiji, and from Fiji to follow route No. 1 to New Zealand and Australia. On the section between Honolulu and Fiji, one of the Phœnix Islands may possibly be found available for a mid-station.

	Knots.
Vancouver Island to Honolulu	2,280
Honolulu to Fiji	2,600
Fiji to Norfolk Island	1,022
Norfolk Island to New Zealand	415
Norfolk Island to Tweed Mouth	761
Total	7,078

Route No. 7.

From Vancouver Island the cable to extend to Honolulu; from Honolulu to Onoatoa of the Gilbert Group; from Onoatoa to San Christoval of the Solomon Group; from San Christoval to Bowen.

	Knots.
Vancouver Island to Honolulu	2,280
Honolulu to Onoatoa	2,080
Onoatoa to San Christoval	953
San Christoval to Bowen	980
Total	6,293

Route No. 8.

From Vancouver Island the cable to extend to Honolulu; from Honolulu to Fiji, possibly with a mid-station on this section if a suitable island be available. From Fiji the cable to run direct to New Zealand.

	Knots.
Vancouver Island to Honolulu	2,280
Honolulu to Fiji	2,600
Fiji to New Zealand	1,150
Total	6,030

The northern terminus of each route is on Vancouver Island. The cable will land at some suitable port to be determined, probably at Port San Juan, near the entrance of the Strait of San Juan, or at Barclay Sound.

The several routes above described are shown generally on the accompanying map of the world. The distances given in each case are believed to be approximately correct but are not guaranteed. Parties offering to provide and lay the cable must make their own calculations of distances and satisfy themselves.

Character of Cables.—Proposals will describe the type of cables intended to be used on each section, and state the weight of conductors and insulators per knot in each case.

Shore Ends.—The best description of landing cables must be employed at terminal points and all mid-stations. The proposals will describe the character, weight, and length of shore-end cables to be used in each case.

Speeds.—The calculated speeds for each section of the cable shall in no case be less than 12 words per minute.

Stations and Equipment.—Each offer will describe the character and approximate cost of buildings, instruments, &c., to be furnished for each terminal and mid-ocean station.

Repairs and Maintenance.—Proposals will state the provision intended to be made for repairs and maintenance, the number, tonnage, and value of repair steamers. In the case of offers made under Form A, the steamers and stores will be found by, and remain the property of, the contractor, until the end of three years from the completion of the cable, to be then taken over at a valuation as may be stipulated and agreed.

Surveys.—Charts may be seen at the Department of Trade and Commerce, Ottawa, and at the office of the High Commissioner for Canada in London, showing the soundings which have been made from time to time in the Pacific as far as recorded. It is expected that additional soundings will shortly be made, but parties making proposals must assume all risks, and in the event of a contract being entered into, for establishing the cable, the contractors must themselves take means to find the most suitable points for landing the cable at all terminal and mid-ocean stations. It will be understood that in each instance, the landing privileges are to be secured by the contributing governments.

Time of Completion.—The time limited for the completion of the cable is three years from the date of the contract; but as it is desirable to have telegraphic communication established as soon as practicable, proposals may state a shorter period; or the same parties may make two offers, one on the basis of three years, the other on the shortest period within which the undertaking may be accomplished.

PROPOSALS.

Proposals based on the above general conditions, and in either of the three forms set forth, to be addressed to the Minister of Trade and Commerce, and delivered at his department in Ottawa, on or before the 1st day of November 1894.

Department of Trade and Commerce, Ottawa,
August 6, 1894.

Enclosure No. 3 in (A.).

Letter from Mr. Sandford Fleming to the Minister of Trade and Commerce, ex-President of the Colonia Conference, 1894.

The Honourable Mackenzie Bowell, Ottawa, July 20, 1894.

Dear Sir,—I feel it my duty to point out that it seems to me expedient for the Canadian Government at once to [ask] cable-manufacturing firms or others to state the terms upon which they would be prepared to lay the Pacific cable, supply all required station buildings, instruments, and equipment generally, and maintain the whole in efficient working condition. I beg leave to submit the following reasons, viz. :—

The Conference passed unanimously five resolutions (copies appended) bearing directly on the establishment of a Pacific cable. The first states "That immediate steps should be taken to provide telegraphic "communication by cable, free from foreign control, between the Dominion of Canada and Australasia." It was considered desirable to ascertain definitely the cost of the undertaking, and it was assumed that to obtain that object a survey was necessary; it was, therefore, resolved in the second resolution, "That the "Imperial Government be respectfully requested to undertake, at the earliest possible moment, and to "prosecute with all possible vigour, a thorough survey, the expense to be borne, in equal proportions, by "Great Britain, Canada, and the Australasian Colonies."

The fifth resolution threw upon the Canadian Government the duty of giving effect to these resolutions and "generally to take such steps as may be expedient, in order to ascertain the cost of the cable, and "promote the establishment of the undertaking in accordance with the views expressed in the Conference."

The Conference rose on July 8th; next day the delegates proceeded to Toronto. The party was joined by Mr. Alexander Seimens, President of the Institution of Electrical Engineers, and head of the well-known firm of Seimens Brothers. Mr. Seimens, for some weeks back, had been engaged in laying the seventh cable which his firm has laid across the Atlantic, and arrived in Ottawa on the 9th, too late to give evidence at the meetings of the Conference, should he have been asked to attend. Mr. Seimens, however, placed in the hands of each delegate a paper containing his views on the Pacific cable. In this paper he points out that the character of the Pacific Ocean is already sufficiently known to admit of the cable being laid without such a survey as that contemplated by the second resolution. I enclose a copy of Mr. Seimens's paper.

This opinion, coming from such an authority, strongly impressed the delegates, and in conversations I had with them I found the general feeling to be, that the Canadian Government should not wait for a survey such as that proposed, but should at once invite cable manufacturers to state the terms upon which they would carry out the work and leave it in a complete and perfect condition.

In taking this step it would be necessary to furnish a general specification of what is required, in order that all offers be made on the same basis; moreover, as it is desirable to have full information on all points, the offers to be received should embrace the cost of the cable by alternative routes.

In travelling with the delegates during the past ten days I have had opportunities of discussing with them the financial aspect of the Pacific cable. I likewise obtained from Mr. Seimens full explanations on all the matters alluded to in his paper.

I feel warranted therefore in submitting for the consideration of the Government the following remarks: The main points to be considered are:

1st. The revenue, calculated on the business which may reasonably be expected.

2nd. The annual charges on revenue.

With respect to the revenue. If it will take three years to establish the cable, 1898 will be the first year of its full operation. On pages 70 and 71 of the report on the mission to Australia, will be found an estimate of the proportion of business which would fall to the share of the Pacific cable for that year, 1898. The estimate was made a year ago and was based on the assumed telegraphic business for 1893 between Australia and Europe, which has been exceeded by actual results. *See* footnote, page 71. Correcting the estimate in this respect, the business for 1898 may be set down as 1,105,000 words, which, reckoned at two shillings a word, would yield a gross revenue for the first year's operation of the Pacific cable of 110,000*l*. It will be borne in mind, moreover, that this estimate is for European business, and includes nothing for the business between Canada, the United States, and Australia, at present insignificant, but which, in a few years, with greatly improved facilities, will undoubtedly develop to considerable proportions. For these reasons I am satisfied that the estimates submitted will be fully realised and more than confirmed by actual results.

Bearing on these estimates, a friend wrote me from London a few weeks back, as follows: "I have been "looking over the proceedings of the Colonial Conference of 1887, where a memorandum of yours is given, "dated April 1886 (page 101). In it you show a probable traffic for the year 1893 of 133,000 messages, equal to 1,330,000 words. The actual business for the past year, according to Sir John Pender, was 1,306,716 words, and according to Australian returns, 1,401,292 words. In either case the prediction made eight years "ago is approximately correct." I mention this merely to bring out the fact that the principles on which the estimates are formed are sound, and that the estimates themselves may generally be considered safe.

With respect to the charges on revenue; viz. :—

1. Interest on capital.
2. Working staff and management.
3. Repairs and maintenance.

The first and second are constant, the third is variable. Experience goes to show that failure and interruptions in cables, due to defects in manufacture or causes connected with laying, generally take place within the first year or two. For this and other reasons, I propose that the manufacturers should be asked to undertake to keep the cable in efficient working order for three years; we may thus eliminate from revenue account for that period all charges for repairs and maintenance.

Assuming that the cost of the cable and its maintenance for three years will be, in round figures, 2,000,000*l*., the revenue account for the year 1898 would stand as follows:

Earnings as estimated		£110,000
Interest on 2,000,000*l*. at 3 per cent.	£60,000	
Staff and management	30,000	
		90,000
Surplus revenue		£20,000

In the above I have taken Mr. Seimens's estimate of the cost of staff required for stations, and office expenses at each point, viz., 24,000*l*. I have increased Mr. Seimens's allowance for general management to 6,000*l*., the

two making in all 30,000*l.* per annum. This charge will be constant, and will suffice, as pointed out by Mr. Seimens, for a business more than six times greater than that estimated for the year 1898, and, by introducing duplex working, for a traffic ten or twelve times greater.

I have pointed out elsewhere that the average normal increase of telegraph business between the Australasian Colonies and Europe was 14 per cent. per annum, during the period when the high rates charged for a period of eight years were in force, that is to say under a tariff rate of 9*s.* 4*d.* per word from 1882 to 1890. Manifestly under the low rates proposed to be charged by the Pacific cable, the normal increase will be greater than 14 per cent. per annum; more especially as the whole North American business will receive a great incentive from direct communication, and all this additional and constantly growing traffic must find its way by the Pacific cable, to and from Australia. I venture to think that it would not be too sanguine an estimate to place the annual increase of business at 18 or 20 per cent., but to be perfectly safe I shall limit it to 15 per cent. in the calculations which follow, that is to say, only one per cent. more than the average annual increase realised under the high tariff for the eight years previous to 1890.

ESTIMATE

of the business of the Pacific cable for ten years after its completion, calculated on the basis of 1,100,000 words, for the year 1898, an average normal increase of 15 per cent. per annum thereafter:—

	Gross Earnings.	Interest and Working Expenses.	Surplus.
	£	£	£
1898	110,000	90,000	20,000
1899	126,500	90,000	36,500
1900	143,000	90,000	53,000
1901	159,500	90,000	69,500
1902	176,000	90,000	86,000
1903	192,500	90,000	102,500
1904	209,000	90,000	119,000
1905	225,000	90,000	135,500
1906	242,000	90,000	152,000
1907	258,500	90,000	168,500

As we have eliminated all but the fixed charges on revenue for the first three years, an examination of the above table will show that the surplus up to the fourth year will have accumulated to 109,500*l.*, which sum, together with the annually increasing surplus thereafter accruing, would be sufficient to meet all charges for repairs and maintenance and leave a balance to be carried to a cumulative reserve, for renewals at some future day.

I may mention that I have submitted in outline this financial scheme to the delegates from new South Wales, Victoria, Queensland, and New Zealand, with whom I have had the advantage of frequent consultations since the Conference rose, and I have the satisfaction to state that it finds favour with each of them. That feature of the scheme by which all the uncertain charges for repairs and maintenance would be embraced in the contract with the manufacturers of the cable, would not only have a tendency to secure a cable of the very best make and character, but it would defer all charges against revenue which revenue could not fully meet until a date later than the payment of the last annual subsidy to the Eastern Extension Company. The Australian Governments now contributing to that subsidy could then with greater ease make up any possible shortage which may arise in connection with the new cable. The estimate, however, shows clearly that under this scheme there is every prospect of the Pacific cable being self-sustaining from the first.

In view of these considerations I feel warranted in strongly recommending that steps be at once taken to ascertain the terms upon which cable manufacturers would be prepared to lay the cable and maintain it in efficient operation for a term of three years. This data definitely obtained, the several governments would be in a position to arrange how they could best co-operate in carrying out the undertaking.

Touching the co-operation of several governments in a common object, I referred to the question in the remarks I submitted to the Conference. Since then I have discussed the matter with some of the Australian delegates, who see no difficulty which cannot be easily overcome; they give as a precedent the agreement entered into in 1886 by New South Wales, Queensland, and Victoria for the administration of British New Guinea. By this arrangement one of the Colonies (Queensland) undertook the cost of administration, the other Colonies passing special acts of indemnification. Mr. Thynne has sent me a copy of the Queensland Act, 51 Vict., No. 9, 1887, which I am glad to place at your service.

Yours faithfully,
SANDFORD FLEMING.

REMARKS ON THE PACIFIC CABLE, BY MR. ALEXANDER SEIMENS, REFERRED TO IN MR. SANDFORD FLEMING'S LETTER, JULY 20TH, 1894.

(*Extract.*)

With regard to the technical difficulties raised in 1887, it may not be out of place to consider that the necessity for a close survey of a cable route arises principally from the requirements of the engineer laying the cable, who has to know at every moment the exact depth of water into which the cable passes.

The brake-power with which the cable is held back and by which the per-centage of slack is regulated, has to be adjusted according to the depth of the water in order to ensure an even distribution of the slack along the whole route of the cable. Such a distribution prevents accidents, economises cable and facilitates repairs, hence the usual practice is to lay cables only on routes where very frequent soundings have been taken; and in 1887 the experts consulted by the Imperial Government were not satisfied that the Pacific Ocean was sufficiently well explored for this purpose.

During the last seven years the work of survey has steadily progressed, and at present it may be asserted that the route proposed at the Wellington Conference passes nowhere through waters more than 3,500 fms. deep.

On the Admiralty chart, No. 780, corrected in November 1892, the route from North Cape (N.Z.) to Suva (Fiji Islands) shows 2,594 fms. as the greatest depth.

Between Suva and Samoa no very great depth is met with, and from Suva, or Apia, to the Phœnix Islands, the greatest depth is 3,312 fms.

The same chart shows 3,020 fms. as a maximum on part of the route from the Phœnix Islands to Honolulu; this route is continued on Admiralty chart No. 782, corrected to June 1890, where a depth of 3,448 fms. is shown.

A continuation of the soundings can be seen on the same chart, or better on Admiralty chart No. 787, which is corrected to March 1894, and gives 3,252 fms. as the greatest depth between Honolulu and San Francisco. These routes do not coincide exactly with the Wellington route, but they, together with a number of other soundings shown on the charts, bear out the general features of the bed of the Pacific Ocean, shown by Mr. John James Wild, member of the civilian scientific staff of H.M.S. "Challenger," in his essay on the depth, temperature, and currents of the ocean, entitled "Thalassa." This work appeared in London (Marcus Ward & Co.) in 1877.

If the adjustment of the brake-power depended entirely on the knowledge acquired by soundings taken previously on the selected route of the cable, grave doubts might still exist whether the laying of the Pacific cable could be proceeded with without further information being obtained by carefully taking soundings over the exact route. Fortunately means have been devised to indicate to the brakesman continuously the per-centage of slack with which the cable is payed out, and thus it is possible to lay a cable over a route of which only the general features are known.

This contrivance has been used with perfect success in the laying of six Atlantic cables, so thas there is no doubt as to its performance realising its theoretical advantages. The depth of water met with in the Atlantic reaches 3,000 fms. in several places where the cables have been laid, so that there is no doubt about the possibility of laying cable in 3,500 fms., or even more.

To be sure it will be necessary to select a type of cable which combines great strength with light weight, but there is no difficulty in this either, as it has been possible to construct cables for the Atlantic which will carry 7,000 fms. of their own length before they break.

It may, therefore, be taken for granted that any technical obstacles which were apprehended in 1887 have now been overcome, and that the cable can be laid as soon as the financial question has been settled.

In order to ascertain clearly what the probable financial position of the cable would be, a complete scheme has been worked out for a route consisting of the sections:—

1. Ahaipara Bay (N.Z.) to Suva (Fiji Islands).
2. Suva (Fiji) to Canton, or Mary (Phœnix Islands).
3. Canton (Phœnix) to Necker Island.
4. Necker Island to Vancouver, B.C., of which the details are appended.

As capital, the sum of 2,000,000*l.* has been assumed to cover the cost of the cable, of two repairing steamers, of about 1,800 tons each, of building instruments, and to furnish a working capital of about 50,000*l.*

The working expenses are divided into:—

	£
a. General management	5,000
b. Staff and office expenses at stations	24,000
c. Repair and maintenance of cables	90,000
Total annual outlay	119,000

a. The first item explains itself.

b. Of the second item, the details will be found in the appendix.

c. The cost of the repair and of the maintenance of the cable is the most difficult to estimate, and the expenditure is naturally divided into a fixed and a variable part.

The fixed expenses consist, first, in maintaining the two steamers in efficient working order: this is amply covered by the allowance of 100*l.* per month per steamer, and secondly, in the wages of crew, victualling and other running expenses; these are certain not to exceed 20*l.* per day per steamer.

It is not likely that each steamer will have to go to sea, on the average, more than two months every year, or that more than 2,000 miles of cables will be used up during that time.

Still these maximum figures are used in the estimate and bring up the total annual cost of the actual repairs and of the maintenance of the steamers to 90,000*l.*, or to over 12*l.* per nautical mile of cable laid. That this is a safe estimate may be gathered from the fact that it is usual to calculate 6*l.* per nautical mile to cover this expenditure, and that one at least of the Atlantic companies is able to keep its 6,000 miles of cable in efficient working order for 4*l.* per nautical mile.

The most important factor in determining the cost of repairs is without doubt the quality of the cable laid, and no greater mistake can be committed than to cut down capital expenditure in an undertaking of the importance and of the magnitude as the Pacific cable undoubtedly is.

It should also be noticed that Sir John Pender in his letter to the Marquess of Ripon estimates the repairing expenses at 35,000*l.* or at the low figure of 4*l.* 15*s.* per nautical mile per annum. This figure he may, however, have taken from previous estimates of expenditure published by the advocates of the scheme, as they give the same figures.

The real uncertainty of the financial prospects of the Pacific cable is, however, encountered when the probable income is estimated.

In respect to this point, Sir John Pender's opinion is manifestly unfair as he allows not more than one-half of the existing traffic to pass over the new cable at extravagantly low rates; although it is quite likely that this would be all the traffic obtainable during the first year.

Mr. Sandford Fleming, the indefatigable promoter of the Pacific cable, appears to have taken the fairest view of the question, when he estimates that the expenses will exceed the earnings during the first few years, but that a cheap tariff and expeditious working will soon attract the public and convert the cable into profitable investment.

From Sir John Pender's letter it appears that the Australian traffic of the existing company is worth 209,628*l.* net for 1,306,716 words, or 3*s.* 2½*d.* per word. If the Pacific cable earned half this amount during the first year, it would pay, in all probability, the working expenses of that year with an ample margin, as it is not likely that any heavy repairs would become necessary during that time.

There are, however, too many factors left uncertain when the probable traffic of the Pacific cable is compared with the existing traffic over another route and under totally different circumstances. Sir John Pender has, for instance, quite ignored that at present the intercourse between America and Australasia does not give rise to frequent telegrams, but when the interests served by the cables are taken into careful consideration, and the great possibilities of commerce between America and Australasia are appreciated at their proper value, small doubt can exist about the Pacific cable earning as much money per nautical mile of its length as the average of the existing submarine cables.

As long ago as the 2nd April 1887 the "Pall Mall Gazette" published an article on submarine cables by Mr. Henniker Heaton, from which the following interesting figures are taken :—

At that time 26 submarine cable companies were in existence, possessing 100,000 nautical miles of cable, laid with an expenditure of 35,000,000*l.* capital. These cables earned (including subsidies) 3,173,692*l.* per annum, enabling the companies to pay from 1 to 14¾ per cent. dividends. In addition the reserve and sinking fund of all the companies amounted to 3,400,000*l.*

From Mr. Heaton's figures it follows that the capital outlay per nautical mile of submarine cable is, on the average, 350*l.* and the annual revenue is 31*l.* 15*s.* per nautical mile.

According to Mr. Heaton, the capital outlay of the Eastern Telegraph Company was 299*l.* per nautical mile, and their income, at that time, 35*l.* per nautical mile per annum.

The Eastern Extension Company had to lay out 265*l.* per nautical mile, and was earning 39*l.* 10*s.* per nautical mile per annum.

If the capital outlay for the Pacific cable be taken to be 2,000,000*l.* and its length from Ahaipara Bay (N.Z.) to Vancouver (B.C.) as 7,340 nautical miles, the cost per nautical mile will be about 273*l.* On the other hand, earning 30*l.* per mile, the annual income from the cable would amount to just over 220,000*l.*

The figure will naturally not be reached during the first two or three years, but it is even under the average of the earnings of all submarine cables seven years ago, and since that time correspondence has continued to increase rapidly. One of the Atlantic companies, for instance, earned on the average during the last three years more than 50*l.* per mile.

If the share of the Pacific cable is 2*s.* per word, it only wants 2,200,000 words per annum to realise this income, and the cable communication, which can be established for 2,000,000*l.*, would be capable of transmitting 15 words per minute on the recorder. This corresponds to over 7,000,000 words per annum, but the speed of sending messages through the cable can practically be doubled by introducing duplex working when the traffic requires it.

It is, therefore, not extravagant to assume that in regular working there will be a surplus of 101,000*l.* per annum.

This would be utilised for paying 3 per cent. on the capital outlay and placing the rest to the credit of a sinking fund.

As the cost of repairs includes replacing, on the average, 200 miles of cable per year, the whole of the cable will be renewed in about 37 years.

If the cable is manufactured with the best materials and with proper care, it may be assumed that it can only be destroyed by local influences or by extraordinary occurrences, for it is proved beyond doubt that cable free from electrical faults will not deteriorate.

A very striking example of the durability of cables was the finding of some part of the original gutta-percha covered conductor, laid without any further protection between Dover and Calais. Although this wire had been in the sea for over 35 years when it was picked up by the ss. "Monarch" (the General Post Office telegraph steamer) it looked like new, and no deterioration could be detected.

Generally speaking all those submarine cable companies have succeeded who have laid their cables on a strictly commercial basis, by expending their capital for nothing but legitimate purposes; it is, therefore, to be anticipated that their example can be followed in establishing telegraphic communication between Canada and Australia and that the Pacific cable will prove to be a good investment in spite of adverse opinions.

The time required for completing the work, provided that the two repairing steamers are assisting in carrying the same out, would be about three years, if no serious accidents delay the undertaking.

For an additional outlay of 30,000*l.* a second large cable steamer could be employed and the time of completing the cable shortened to two years after commencing the manufacture.

ALEXANDER SEIMENS.

Ottawa, 9th July 1894.

ESTIMATES APPENDED TO MR. SEIMENS'S PAPER.

Buildings and Instruments.

	Morton's Buildings.		Sets of Instruments.	
	B.C.C. No. 2.	No. 795.	Recorder.	Testing.
Vancouver - - - -	1	—	2	1
Necker Island - - -	—	4	3	1
Canton Island - - -	—	4	3	1
Suva - - - -	1	2	3	1
Ahaipara - - - -	1	2	3	1
Totals	3	12	14	5

	£
3 cable houses B.C.C. No. 2 at 300*l.*	900
3 sets fittings for do. 200*l.*	600
12 houses, No. 795, at 1,000*l.*	12,000
12 outfits for same at 500*l.*	6,000
14 sets recorders complete at 400*l.*	5,600
5 sets testing instruments, with extra spares, at 240*l.*	1,200
Transport and erection	3,700
	£30,000

No land is included, nor the erection of buildings on Necker and Canton, unless in the opinion of our engineer-in-charge the buildings can be erected by our own staff without delaying operations.

STAFF REQUIRED FOR STATIONS AND OFFICE EXPENSES.

Vancouver, B.C.:—

	Per annum. £	£
1 superintendent	400	
4 clerks at 200*l.*	800	
2 messengers at 50*l.*	100	
4 boys at 30*l.*	120	
Taxes, ground rents, renewals, and repairs	200	
Stationery, insurance, advertising	200	
Sundries unforeseen	200	
		2,000

Necker and Canton Islands (each):—

1 superintendent	600	
8 clerks at 500*l.*	4,000	
3 messengers at 100*l.*	300	
Rations 1*l.* per week per head	600	
Sundries unforeseen	500	
	2 × 6,000	
		12,000

Suva, Fiji, and Ahaipara, N.Z. (each):—

1 superintendent	500	
8 clerks at 400*l.*	3,200	
3 messengers at 80*l.*	240	
Rations 1*l.* per week per head	600	
Sundries unforeseen	460	
	2 × 5,000	
		10,000
Total annual cost of staff and office expenses		£24,000

REPAIR AND MAINTENANCE OF CABLES.

	£	£
Two repairing steamers of about 1,800 tons each, fitted complete, at	100,000	200,000
ANNUAL COST—		
(*a*) *Fixed Expenses*—		
Repair of hull and machinery at	1,200	2,400
Wages of crew, victualling and other running expenses—2 × 365 days, at	20	14,600
(*b*) *Variable Expenses*—		
Two months at sea, each steamer—		
For ropes and other stores, extra pay, &c., at 125*l.* per day		15,000
100 nautical miles cable, at 200*l.* per nautical mile		20,000
100 nautical miles cable, at 350*l.* per nautical mile		35,000
Sundries		3,000
		£90,000

The variable expenses (*b*) are usually estimated at 6*l.* per nautical mile, which would, in this case, amount to about 45,000*l.*

One steamer to be stationed at Vancouver, B. C., and the other steamer to be stationed at Suva (Fiji Islands).

CAPITAL ACCOUNT.

	£		£
Capital to be raised under Government guarantee at 3 per cent.	2,000,000	7,340 nautical miles cable	1,720,000
		Steamers	200,000
		Buildings, &c.	30,000
		Working capital	50 000
			2,000,000

Cost per nautical mile - - - - - - 273*l.*

REVENUE ACCOUNT.

	£		£
General management - - - -	5,000	Earnings	220,000
Building staff - - - -	24,000		
Repairs and renewals - - - -	90,000		
To profit and loss account - - - -	101,000		
	220,000		

PROFIT AND LOSS ACCOUNT.

	£		£
3 per cent. interest on capital - - -	60,000	From revenue account - - - -	101,000
2 per cent. amortisation of capital - - -	40,000		
Carried forward - - - - -	1,000		
	101,000		

The earnings are estimated at 30*l.* per nautical mile (the average amount of the earning of all cables, according to Mr. Henniker Heaton).

If share of Pacific cable is 2*s.* per word, 2,200,000 are wanted, while cables are calculated for 15 words per minute or more than 7,000,000 words per annum. This capacity can practically be doubled by introducing duplex working when the traffic requires it.

REPORTS OF THE HYDROGRAPHER AND THE POST OFFICE REFERRED TO IN DISCUSSIONS AT THE CONFERENCE.

Report made by the Hydrographer in 1887 *on a proposal to connect Vancouver Island and New Zealand by a Submarine Telegraph Cable* (*figures corrected to* 1892).

Looked at from an Admiralty point of view, the sole advantage of a submarine cable across the Pacific would be the power of communication afforded with ships at Honolulu and the Fijis and surrounding groups. This advantage cannot be considered as in peace time great, and it would not appear in time of war to be important, as the Fijis are the sole possession affected.

From an Imperial point of view, any alternative line of communication with our possessions must be of value, but there are grave drawbacks to this present proposal. It has been gradually recognised that in order to minimize the effects of breakdowns on a submarine cable the individual lengths between the landing-places should be as short as possible, in order that the time lost by bridging over by a steamer until the repairs can be made good should be reduced to a minimum. Now, the proposed line would not only be made up of the longest length of submarine cable known, but the state of trade at the calling places is such that steamers might not be available for temporary service in case of a messenger vessel being required.

From a commercial point of view, its success must depend upon, 1st, The amount of traffic likely to be set up between America and Australia; and 2nd, How far the company could afford to compete with the existing line, already duplicated. So far as my knowledge goes, the half of the present traffic from England, and the traffic to accrue from America, would afford a poor prospect of an income without a heavy subsidy from Government, seeing especially the probable difficulties of laying and maintenance. These will be alluded to hereafter.

The existing communication with Australia is already good.

It touches Portuguese territory at Lisbon and Dutch at Java, and passes through Egypt at the Isthmus of Suez, otherwise it is wholly in British territory. The lines are British lines, worked by British clerks, and cypher messages are, therefore, no more likely to be tampered with than if such landing-places were British. The communication is duplicated throughout (though in some cases by an alternative route not so entirely in British hands) to Australia. Between Australia and New Zealand the line is single.

The different sections are as follows:—

Present line of communication (1892).

England to Lisbon, 725 miles.	Duplicated by a line calling at Vigo.
Lisbon to Gibraltar, 295 miles.	Duplicate cables, also land line.
Gibraltar to Malta, 980 miles.	Duplicate cables, also land and sea lines *viâ* Sicily.

Malta to Alexandria, 819 miles. Duplicate.
Alexandria to Suez, 135 miles. Land line (Egyptian).
Suez to Aden, 1308 miles. Quadruple.
Aden to Bombay, 1,637 miles. Triplicate.
Bombay to Madras, 560. Land line (a third route to Bombay from Europe through Persia).
Madras to Penang, 1,270 miles. Duplicate cables, also land line through British India.
Penang to Singapore, 375 miles. Duplicate.
Singapore to Banjowangie, 880 miles. Duplicated by line to Batavia and land line in Java.
Banjoewangie to Australia, 1,045 miles. Duplicate cable to Port Darwin, a third to Roebuck Bay.
Port Darwin to Sydney } 1,980 miles. Two separate land lines.
Roebuck Bay to Sydney }
In the event of both lines breaking simultaneously on any section, the greatest length to be bridged over is 1,600 miles, from Aden to Bombay, where numerous steamers are available.

The Pacific line would touch foreign territory at one point only—the Sandwich Islands—and would be made up of the following lengths :—

Proposed communication *viâ* Canada and the Pacific (1892).

England to Cape Breton *viâ* Newfoundland, 1,865 miles. Triplicate.
Cape Breton to Vancouver Island, 2,712 miles. Land line.
Vancouver Island to Fanning or Washington Island, 3,220 miles - - -
Washington Island to Phœnix Island, 790 miles - - - - } 5,940 miles cable to be
Phœnix Island to Fiji, 920 miles - - - - - - - } laid.
Fiji to New Zealand, 1,010 miles - - - - - - -
New Zealand to Sydney, 1,125 miles. Duplicate.

It will be observed that the total distances to Sydney are in either case identical; but that the 7,425 miles of Pacific is in only five sections, all of great length.

On the roseate view expressed by the promoters on the question of laying the cable, I would remark as follows :—

That very few soundings exist on the actual line proposed.

That the soundings near this line show that the depth would be unusually great, and therefore unfavourable for repairing.

That the probability of sudden inequalities of the bottom is very great in such an island-studded sea, and that such inequality would be also unfavourable to the maintenance of the cable.

(It would require a long and minute search by a vessel specially fitted for sounding before the best route could be selected.)

It is very doubtful, therefore, what the ultimate cost of the undertaking may be, and even at the estimate now made, 2,000,000*l.*, it is more than doubtful whether it could possibly be made to pay. As a single line of submarine telegraph has never yet been found to answer commercially, it would probably be necessary to duplicate this one. This would cost about one and half millions sterling extra.

My general conclusion is, that if the Government is to aid in a substantial manner any scheme for multiplying the lines of communication to Australia, it should be in the direction of triplicating, by means of sea cables, those portions of the existing route which are now duplicated by foreign land lines.

(Signed) W. J. Wharton,
Hydrographer.

Admiralty, 28th February 1887.

Sir,

General Post Office, London, July 5, 1893.

The Postmaster-General directs me to reply to your letter of the 3rd December last, on the question of the construction of a submarine cable between Vancouver and Australasia.

For a cable to land only on territory under British protection, or belonging to the British Crown, the route which would be selected would probably be as follows :—

	Distance in Knots.
Victoria, Vancouver Island, to Fanning Island - - - - -	3,298
Fanning to Canton Island - - - - - - -	845
Canton to Fiji - - - - - - - - -	1,130
Fiji to the Bay of Islands, New Zealand - - - - -	1,080
	6,353

3,957
1,014
1,356
1,296
7,623

The total distance is 6,353 knots, but to ascertain the length of cable required it is necessary to add 20 per cent. for slack, making 7,623 knots.

For the sections between Fanning Island and New Zealand, the Engineer-in-Chief of this Department thinks it would suffice to use a cable of which the core would consist of 130 pounds of copper and 130 pounds of gutta-percha to the knot; and, with the information at present at his command, he estimates the cost of making and laying it at about 150*l.* a knot, or say 549,900*l.* for the three sections.

£
549,900
2,374,200
£2,924,100

On the Vancouver-Fanning section, he is of opinion that, to secure even the moderate working speed of 12 words a minute, the cable must have a core of 940 pounds copper and 940 pounds gutta-percha to the knot; and the cost of manufacturing and laying such a cable would probably be about 600*l.* per knot, or, say, 2,374,200*l.* The total cost of the whole line from Vancouver to New Zealand would thus be about 2,924,100*l.*

There would be no novelty in laying or maintaining cables of the type required between Fanning and New Zealand; but a cable like that which would be required between Vancouver and Fanning has never yet been laid. The heaviest core in any existing cable contains only 400 pounds copper and 400 pounds gutta-percha

to the knot. It may well be doubted, therefore, whether, with existing appliances, the Vancouver-Fanning section could be either laid or maintained.

If it were found possible to establish the communication, it would be necessary to its proper maintenance that a ship, specially constructed for the purpose, should be stationed in the Pacific, and that depôts of coal, spare submarine cable, and other stores should be established at various points.

As to the financial aspect of the question, it is not possible, where everything is so problematical, to prepare a trustworthy statement. If the charges for telegrams to and from Europe were the same as the charges by the existing route, the annual revenue proper to the new line could scarcely, at first, or indeed for many years, exceed 70,000*l.* a year. Interest at 4 per cent. on the capital of 2,924,100*l.* would be 116,964*l.*; a sinking fund at 4 per cent. to replace the capital in 25 years would take 70,200*l.* a year; and the cost of maintenance and working could not well be estimated at less than 40,000*l.* a year. There might thus be an annual expense of 227,164*l.* as compared with a revenue of 70,000*l.*, leaving a deficiency of 157,164*l.* to be made good by subsidies.

	£
	116,9
	70,2
	40,0
	227,1
	70,0
	£157,1

Her Majesty's Government give no subsidy in respect of the existing cables.

If it were not necessary to land the cables in all cases on British territory, a line of communication between North America and Australasia could be established for a smaller sum. Thus, the first section might be laid from Vancouver or from San Francisco to Oahu in the Sandwich Islands, and the core of this section of the cable need not exceed 400 pounds of copper and 400 pounds of gutta percha to the knot.*

It seems unnecessary, from the point of view of Imperial interests, to go further into this plan; but it may be well to refer to a misconception on the part of some of those with whom it finds favour. Met with the objection that a cable landed on foreign territory might be of little use for the defence of the Empire, they reply that the difficulty is provided for by an International Convention under which all cables are made neutral in time of war. This is not the case. The only International Convention relating to the protection of submarine cables is that which was made at Paris on the 14th March 1884; and if reference be made to the copy of the Convention annexed to the Submarine Telegraph Act, 48 & 49 Vict. c. 49, it will be seen that it contains no provision for the neutrality of cables.

I have, &c.
(Signed) J. C. Lamb.

* Note.—Such a cable would not give a speed of 12 words between Vancouver and Oahu. Its speed would be only 10 words.

The MARQUESS OF RIPON to the EARL OF JERSEY.

My Lord, Downing Street, August 28, 1894.

I have the honour to acknowledge the receipt of your Report of the 21st instant on the proceedings of the Colonial Conference at Ottawa, which you attended as the representative of Her Majesty's Government.

I have perused this Report and the proceedings of the Conference with much interest, and I have to convey to you my entire approval of your action at the Conference.

Your Report will be of great service to Her Majesty's Government in approaching the consideration of the important questions discussed at the Conference, and I have to express their thanks to you for it.

I have, &c.
(Signed) RIPON.

COLONIAL CONFERENCE, 1894.

PART II.—CORRESPONDENCE.

No. 1.

SANDFORD FLEMING, Esq., to COLONIAL OFFICE.
(Received May 16, 1887.)

London, 9, Victoria Street,
May 16, 1887.

Dear Mr. Baillie Hamilton,

May I ask you to lay before Sir Henry Holland the enclosed communication from the members of the (late) Conference generally suggesting that, inasmuch as the connection of Canada and Australasia by a direct cable is a question of very great importance, its practicability should be established as speedily as possible by a proper survey and examination under the authority of the Imperial Government.

As I have given some attention to this question, I would be glad, should Sir Henry Holland deem it advisable, to discuss with any officer of the Government the means by which the survey and soundings may be best carried out. I may mention that I have determined to extend my stay in London until the 25th instant.

Believe me, &c.
(Signed) SANDFORD FLEMING.

Enclosure in No. 1.

Sir,

London, S.W., May 16, 1887.

During the discussion on the subject of the Postal and Telegraphic Communication of the Empire before the Colonial Conference, the question was raised as to the practicability of submerging cables in the Pacific Ocean so as to connect Canada and Australasia telegraphically, and, as all doubts on the question should be removed with as little delay as possible, a thorough and exhaustive nautical examination should at once be made.

The undersigned, therefore, on behalf of the Governments they represent, respectfully request that Her Majesty's Government will cause such survey to be made.

We have, &c.
(Signed) A. Campbell.
Sandford Fleming, for Canada.
James Service, for Victoria.
P. A. Jennings, for New South Wales.
S. W. Griffith.
John Forrest.
William FitzHerbert.
J. S. Dodds.
Adye Douglas.
Robert Wisdom.
Sep. Burt.
Saul Samuel.
A. Shea.
Robert Thorburn.
John Robinson, for Natal.
Alfred Deakin.
James Lorimer.
Charles Mills.
Graham Berry.
James F. Garrick.
F. D. Bell.

No. 2.

COLONIAL OFFICE to ADMIRALTY.

SIR, Downing Street, May 23, 1887.

I AM directed by the Secretary of State for the Colonies to transmit to you, to be laid before the Lords Commissioners of the Admiralty for any observations which they may have to offer, a copy of a letter* from Mr. Sandford Fleming, C.M.G., one of the delegates from Canada to the late Colonial Conference, enclosing a letter signed by all the delegates to the Conference recommending that a survey should be made with a view to determining the practicability of laying a cable between Canada and Australia.

I am to suggest that Mr. Fleming should be placed in communication with the Hydrographer to the Admiralty with a view to discussing this question.

I am, &c.
(Signed) R. H. MEADE.

No. 3.

ADMIRALTY to COLONIAL OFFICE.
(Received May 30, 1887.)

SIR, Admiralty, May 28, 1887.

I HAVE laid before my Lords Commissioners of the Admiralty your letter of 23rd instant,† enclosing a recommendation, signed by the delegates to the late Colonial Conference, that a survey should be made with a view to determining the practicability of laying a cable between Canada and Australia, and further suggesting that Mr. Fleming should be placed in communication with the Hydrographer to the Admiralty with a view to discussing the question.

2. In reply, their Lordships desire me to state, for the information of Sir Henry Holland, that if Mr. Fleming has not already left London, he will find the Hydrographer at the Admiralty on any day he may like to fix.

3. My Lords, however, desire me to add that, unless the Secretary of State has reason to believe that a Submarine Cable is likely to be laid from Vancouver to Australia very shortly, their Lordships would not propose to dispatch a surveying vessel for the sole purpose of obtaining soundings over the route, but that they will endeavour to arrange that soundings shall be gradually obtained during the next few years in the ordinary course of hydrographic surveys.

I am, &c.
(Signed) EVAN MACGREGOR.

No. 4.

COLONIAL OFFICE to SANDFORD FLEMING, Esq.

[*Answered by No.* 5.]

SIR, Downing Street, June 3, 1887.

WITH reference to your letter of the 16th ultimo,‡ I am directed by the Secretary of State for the Colonies to transmit, for your information, a copy of correspondence§ with the Admiralty respecting the proposed nautical survey of the Pacific, with a view to determining the practicability of laying a cable between Canada and Australia.

I am, &c.
(Signed) R. H. MEADE.

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* No. 1. † No. 2. ‡ No. 1. § Nos. 2 and 3.

No. 5.

SANDFORD FLEMING, Esq., to COLONIAL OFFICE.

(Received June 9, 1887.)

9, Victoria Chambers, London, S.W.,
June 8, 1887.

Sir,

I have the honour to acknowledge the receipt of your letter of the 3rd instant,* enclosing copies of letters between the Colonial Office and the Admiralty respecting the proposed nautical survey of the Pacific in connexion with the laying of a cable between Canada and Australasia.

I beg leave to direct attention to the third paragraph of the letter from the Admiralty, which reads as follows:—"My Lords, however, desire me to add that unless the "Secretary of State has reason to believe that a submarine cable is likely to be laid "from Vancouver to Australia very shortly, their Lordships would not propose to "despatch a surveying vessel for the sole purpose of obtaining soundings over the "route, but that they will endeavour to arrange that soundings shall be gradually "obtained during the next few years in the ordinary course of hydrographic surveys."

Since the receipt of your letter of the 3rd instant,* I have, with the permission of the Lords Commissioners of the Admiralty, placed myself in communication with the Hydrographer, who has explained to me what is to be understood by the last part of the above quoted paragraph. From these explanations I have learned that it is not intended to do anything until next year, that next year it is expected that a surveying vessel will be despatched to Australian waters for other purposes, and that while there the officers will be instructed, in the ordinary course of their duties, to endeavour to obtain some information which may be useful in connexion with the question of laying a cable. It is intended to follow the same course year by year, but, from all I can learn, no definite idea can be formed as to the time which will be expended before the work will be completed; indeed it does not appear quite certain that anything will be done even next year, or, if commenced next year, it is hinted that the work may be interrupted and the surveying vessel taken away.

It is scarcely necessary for me to point out that the course proposed to be followed will not accomplish the desired end. The records of the Conference will show how much importance is attached by every delegate to the telegraphic connexion of Canada and Australasia. In an Imperial point of view its importance was held at the Conference to be second to no other question brought forward for discussion, and I think I may venture to say, on behalf of the 21 delegates who attached their names to the letter of the 16th May,† addressed to Sir Henry Holland, that it will be a grave disappointment to them, and to the Governments they represent, if no other course than that proposed and explained to me by the Hydrographer be followed.

Sir Henry Holland, who presided over the Conference, will remember how strongly individual members spoke on the subject, and he knows also the views of the Conference as a body. On the last day of the Conference a resolution on the question was unanimously adopted, to which I think it would be well to direct the special attention of the Admiralty.

I respectfully submit that the Lords Commissioners of the Admiralty appear to have misapprehended the object of the application of the 16th May. I may therefore venture to explain that, as some of the officers of the Government and other gentlemen examined before the Conference gave testimony which raised doubts as to the practicability of establishing a direct telegraph across the Pacific, a general feeling prevailed that the question was of such permanent importance as to demand immediate attention, and that every doubt should be set at rest by having a thorough and exhaustive survey made under the highest nautical authority. No one who attended the meetings of the Conference, or who has seriously considered the relations of the great self-governing colonies to the Mother-country, can for a moment doubt that an electric cable from Canada to Australasia is imperatively demanded, and that, if practicable, will be established. The question of practicability, however, is precedent to all others, and it is therefore of the utmost importance that the request of the delegates to the Conference, made collectively and individually on behalf of their respective Governments, should be reconsidered.

I have, &c.
(Signed) SANDFORD FLEMING.

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* No. 4. † No. 1.

Enclosure in No. 5.

UNANIMOUSLY ADOPTED by the CONFERENCE, May 6, 1887.

First.

That the connection recently formed through Canada, from the Atlantic to the Pacific, by railway and telegraph, opens a new alternative line of Imperial communication over the high seas, and through British possessions, which promises to be of great value alike in naval, military, commercial, and political aspects.

Second.

That the connection of Canada with Australasia by direct submarine telegraph across the Pacific is a project of high importance to the Empire, and every doubt as to its practicability should, without delay, be set at rest by a thorough and exhaustive survey.

No. 6.

COLONIAL OFFICE to ADMIRALTY.

[*Answered by No.* 7.]

SIR, Downing Street, June 27, 1887.

WITH reference to your letter of the 28th ultimo* I am directed by the Secretary of State for the Colonies to transmit to you, to be laid before the Lords Commissioners of the Admiralty, copy of a further letter† from Mr. Sandford Fleming with reference to the proposed survey of the bed of the Pacific with a view to determine the practicability of laying a cable between Canada and Australia.

Sir H. Holland proposes, with their Lordships' concurrence, to reply to Mr. Fleming that as there is at present no sufficient prospect of the necessary funds being forthcoming for the maintenance of a telegraph cable across the Pacific, even if the ocean bed to be traversed should prove to be exceptionally favourable, it is impossible to justify a heavy special expenditure in pushing on the surveys; but that if it could be established that the Colonial Governments concerned will be prepared to provide the necessary funds there would be a better case for urging the Lords Commissioners of the Admiralty to accelerate the survey.

I have, &c.
(Signed) ROBERT G. W. HERBERT.

No. 7.

ADMIRALTY to COLONIAL OFFICE.
(Received July 7, 1887.)

SIR, Admiralty, July 5, 1887.

I HAVE laid before my Lords Commissioners of the Admiralty your letter of 27th ultimo,‡ in regard to the survey of the Pacific Ocean between Canada and Australasia, with a view to determining the practicability of laying a telegraphic cable across the Pacific.

2. My Lords concur in the reply which Sir Henry Holland proposes to address to Mr. Sandford Fleming's letter of 8th June last,† on the above subject.

I am, &c.
(Signed) EVAN MACGREGOR.

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* No. 3. † No. 5. ‡ No. 6.

No. 8.

INDIA OFFICE to COLONIAL OFFICE.
(Received July 7, 1887.)

India Office, Whitehall, S.W.,
Sir, July 6, 1887.

With reference to previous correspondence ending with this Office letter of the 21st October 1886,* respecting a scheme for the establishment of telegraphic communication with Australia *viâ* Canada, I am directed by the Secretary of State for India to request that you will inform the Secretary of State for the Colonies that, in reply to the despatch which Viscount Cross addressed to the Government of India on the subject, that Government has informed him that while they admit that from an Imperial point of view an alternative line of communication between Great Britain and the Colonies may have much to recommend it, they fail to perceive what advantage India could derive from it, and therefore they are not disposed "to burden the finances of India with a subsidy in "favour of a scheme which would in itself considerably diminish the telegraph revenue."

The Secretary of State for India in Council, while fully appreciating the national value of the projected line of telegraph, regrets that the present condition of the finances of India compels him to assent to the conclusion arrived at by the Government of India.

I have, &c.
(Signed) JOHN E. GORST.

No. 9.

Sir H. T. HOLLAND to the MARQUIS OF LANSDOWNE (Canada).

[*Answered by No.* 11.]

My Lord, Downing Street, July 12, 1887.

I have the honour to transmit to your Lordship, for communication to your Government, a copy of a letter† from the representatives to the Colonial Conference of Governments interested in the question of the proposed cable between Canada and Australia with correspondence‡ between this Department, the Admiralty, and Mr. Sandford Fleming, C.M.G., on the subject.

I would observe that as there is at present no sufficient prospect of the necessary funds being available for the maintenance of a Telegraph Cable across the Pacific, even if the ocean bed to be traversed should prove to be exceptionally favourable, it would be impossible to justify a heavy special expenditure in pushing on the surveys; but if it could be established that the Colonial Governments concerned would be prepared to provide the necessary funds I should be in a better position to urge upon the Lords Commissioners of the Admiralty the desirability of accelerating the survey.

I request that Mr. Sandford Fleming may be informed of the contents of this despatch.

I have, &c.
(Signed) H. T. HOLLAND

No. 10.

Sir H. T. HOLLAND to the MARQUIS OF LANSDOWNE (Canada).

My Lord, Downing Street, July 19, 1887.

With further reference to your Lordship's Despatch of the 23rd of June 1886*, respecting the proposed establishment of telegraphic communication between Australia

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* Not printed. † Enclosure in No. 1. ‡ Nos. 2, 3, 4, and 5.

and this country by way of Canada, I have the honour to transmit to you, for your information, and for that of your Government, a copy of a letter* from the India Office containing the reply of the Government of India to the application addressed to it in connection with the question of a subsidy.

I have, &c.
(Signed) H. T. HOLLAND.

No. 11.

THE MARQUIS OF LANSDOWNE (CANADA) to SIR H. T. HOLLAND.
(Received August 19, 1887.)

[*Answered by No.* 12.]

Cascapedia River, New Richmond,
SIR, July 28, 1887.

I HAVE had the honour of receiving your Despatch of the 12th instant,† with enclosed correspondence in regard to the proposal for the establishment of a Telegraph Cable between Canada and Australia.

2. You observe that "as there is at present no sufficient prospect of the necessary "funds being available for the maintenance of a telegraph cable across the Pacific, even "if the ocean bed to be traversed should prove to be exceptionally favourable, it would be "impossible to justify a heavy special expenditure in pushing on the surveys; but if it "could be established that the Colonial Governments concerned would be prepared to "provide the necessary funds, I should be in a better position to urge upon the Lords "Commissioners of the Admiralty the desirability of accelerating the survey."

3. In reference to this I am able to state that my Government has recently had under its consideration the expediency of asking the Parliament of Canada to make a suitable contribution towards the cost of a Pacific Telegraph Cable, and that negotiations have been proceeding with gentlemen representing a projected Pacific Cable Company who have submitted definite proposals to my Government, and who have, I understand, also formally applied to Her Majesty's Government and to the other Colonial Governments interested.

4. I enclose herewith a copy of an approved Minute of the Privy Council of Canada from which you will see that my Government is ready, with the above object, to assume liability for one annual subsidy of 7,500*l.* for a term of 25 years—this sum representing one tenth of the total estimated cost to be incurred—upon the understanding that the remainder is defrayed in certain proportions by Great Britain and the other Colonies interested in the project.

5. I trust that this offer will, as far as Canada is concerned, be considered satisfactory, and that, if Her Majesty's Government and the other Colonial Governments should signify their readiness to assume their shares of the estimated cost, the preliminary surveys will be pushed forward with as much rapidity as possible.

I have, &c.
(Signed) LANSDOWNE.

Enclosure in No. 11.

CERTIFIED COPY of a REPORT of a COMMITTEE of the Honourable the PRIVY COUNCIL, approved by His Excellency the GOVERNOR-GENERAL IN COUNCIL on the 19th July 1887.

On a Memorandum dated 12th July 1887 from the Minister of Public Works reporting that the Pacific Cable Company (proposed) has submitted a scheme for the establishment of submarine electric cable connection between England and the Australian Colonies,

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* No. 8. † No. 9.

viâ Canada, and has finally petitioned the Imperial and Colonial Governments directly interested in the enterprise for an annual subsidy of 75,000*l.* during a term of 25 years, the amounts to be apportioned as follows :—

	£
Great Britain	37,500
Canada	7,500
Queensland	7,500
New South Wales	7,500
Victoria	7,500
New Zealand, Tasmania, and Western Australia	7,500
Total	£75,000

That full particulars as to the conditions and obligations proposed by the company will be found herewith in the document annexed.

The Minister on the report of the Superintendent of the Government Telegraph Service recommends that conditionally upon the Government of Great Britain and the Governments of the Colonies (other than Canada) agreeing to pay their above-mentioned respective proportions of the subsidy applied for, the Government of Canada agree to submit to Parliament a proposition to provide for the payment of its proportion of one-tenth of the total required subsidy as originally proposed by the representatives of the company to the High Commissioner for Canada in England (*see* letter attached).

The Committee, concurring in the foregoing recommendation of the Minister of Public Works, advise that your Excellency be moved to forward a copy of this Minute to the Right Honourable the Secretary of State for the Colonies.

All which is respectfully submitted for your Excellency's approval.

JOHN J. MCGEE, Clerk,
Privy Council, Canada.

PACIFIC TELEGRAPH COMPANY (LIMITED).

34, Clements Lane, London,
May 3, 1887.

SIR,

REFERRING to the proposal submitted by the Pacific Telegraph Company for the consideration of the Colonial Conference on the 20th April 1887, I am now instructed by the Directors of the Company to submit, as an amended proposal, the following :—

1. The Pacific Telegraph Company shall lay a line of cable from Vancouver Island to Australia, touching at Hawaii, Fanning Island, Samoa, Fiji, and New Zealand.

2. The Governments of Great Britain, of Canada, and of the Australian Colonies shall guarantee to the Pacific Telegraph Company Government traffic to the amount of 75,000*l.* per annum, in such proportions as may be mutually agreed upon by the said Governments.

3. The above guarantee shall date from the completion of telegraphic communication between Canada and Australia by the Company, and shall continue in force for 25 years from that date, subject to the following conditions :

4. In the event of telegraphic communication being interrupted, 35 days shall be allowed to the company for repairs ; if at the expiration of 35 days telegraphic communication shall continue to be interrupted, then the guarantee shall be suspended from that date until telegraphic communication be re-established.

5. The rate per word payable by the Governments shall be the current rate charged by the Company to the general public, but such rate shall never exceed 4*s.* per word for the transmission of messages from England to Australasia.

In my statement to the Colonial Conference on the 27th April, I mentioned that the proposal of the Pacific Telegraph Company, which was then before the Conference, for an annual subsidy of 100,000*l.* for 25 years, was based upon calculations as to the approximate cost of constructing and laying a cable which were made some time ago.

I further stated that the Company was at that very time actually engaged in collecting expert evidence to the most recent improvements in the manufacture of cables and the consequent reduction in the cost of constructing and laying them. The result of the investigation has been to convince the Directors that the original estimate for the cost of the undertaking will bear some reduction.

In addition to the above, the Directors have been influenced by considerations of even greater weight. Events of very recent date point to the certainty of the Pacific Ocean being shortly developed as one of the main waterways of the world's commerce. In view of the very largely increased inter-colonial telegraphic traffic which must inevitably follow any such development, the Directors feel justified in accepting the extra risk which the reduction of the guarantee from 100,000*l.* to 75,000*l.* per annum will entail.

As above stated (in clause 5) the Directors of the Pacific Telegraph Company bind themselves to start by reducing the rate to 4*s.* per word for the transmission of ordinary messages from England to Australasia, and further bind themselves not to exceed such rate.

The reduction of 4*s.* per word, however, is by no means intended to be final, for if the estimates of increased traffic are in any way realised, the Company will be in a position to effect very considerable further reductions.

I have, &c.

To the Chairman of the Colonial Conference, London.

(Signed) HAROLD FINCH HATTON.

TELEGRAPH BETWEEN AUSTRALASIA, CANADA, AND GREAT BRITAIN.

SIR, London, July 19, 1886.

THE undersigned, who were present at the meeting of the Agents-General on the 12th instant, having been requested by you to ascertain the amount of subsidy which would be necessary to enable a company to connect England telegraphically with Australia, through Canada and the Pacific Ocean, have the honour to state:—

We have considered the whole question and are of opinion that a substantial Company can be formed to establish an efficient telegraph connection on the route proposed for a total annual subsidy of 100,000*l.* for 25 years.

The subsidy may be apportioned as follows, *i.e.*:—

	£
1. Great Britain, on behalf of the United Kingdom, India, and the Crown Colonies	50,000
2. Canada	10,000
3. Queensland	10,000
4. New South Wales	10,000
5. Victoria	10,000
6. New Zealand, Tasmania, and Western Australia	10,000
	£100,000

Or should the Imperial Government, by an arrangement with the Colonial Governments, itself guarantee the whole amount, the total subsidy may be considerably reduced, as the Imperial guarantee would enable the Company to find capital at a lower rate of interest. With such guarantee a total subsidy of 90,000*l.* for 25 years would suffice, and thus reduce the annual contributions.

The subsidy mentioned is calculated to pay interest on borrowed capital, and provide a sinking fund for its repayment in 25 years.

As the Company would transmit all the messages of the various contributing Governments free, and the rates chargeable to the public for "through" messages would not be more than one-half the present regular tariff charges, Great Britain and the Colonies would save a much greater sum than the amount of subsidies above proposed.

If the several Governments agree to pay over to the Company a percentage of the gross savings which would thus be effected by each country, the company would still further reduce the charges to the public.

We have, &c.
DONALD A. SMITH.
RANDOLPH C. WANT.
ANDREW ROBERTSON.
MATTHEW GRAY.
SANDFORD FLEMING.

The Hon. Sir Charles Tupper, G.C.M.G., C.B.,
High Commissioner for Canada, London.

No. 12.

SIR H. T. HOLLAND to the MARQUIS OF LANSDOWNE (CANADA).

MY LORD, Downing Street, September 1, 1887.

I HAVE the honour to acknowledge the receipt of your Despatch of the 28th of July,* with a certified copy of a report of a Committee of the Privy Council respecting the proposed establishment of direct telegraphic communication between Canada and Australia.

This question, as your Lordship is aware, was discussed at the Colonial Conference, and in my circular despatch of the 23rd of July,† forwarding to you the report of the proceedings, the position of Her Majesty's Government with regard to this question was stated in the following words :—

"In connection with the subject of telegraphic communication, the proposal of an alternative line to Australia was prominently brought forward. The Colonial representatives were of opinion that their Governments would not, unless the Imperial Government also contributed, be willing to subsidise another company in addition to the Eastern Extension Telegraph Company ; and on behalf of the Imperial Post Office it was stated that the question of such a subsidy could not be entertained by that Department. While, therefore, I expressed my willingness to bring before Her Majesty's Government the wishes of the members of the Conference that a line might be constructed for military purposes, to be exclusively controlled by the Government, I could not hold out any hope that such a scheme would be favourably received."

To that statement I have nothing to add, and if your Government think it desirable, in the present position of the question, to press for the survey of the route of the proposed cable they will, I have no doubt, communicate with the Governments of the various Australasian Colonies, and ascertain their views upon the subject. The first question for decision would appear to be whether those Colonies would be prepared to unite with your Government in providing the cost of establishing and maintaining a telegraph cable with or without Imperial co-operation.

I have, &c.
(Signed) H. T. HOLLAND.

* No. 11. † p. ix of [C. 5091.] July 1887.

No. 13.

THE MARQUIS OF LANSDOWNE (CANADA) to SIR H. T. HOLLAND.
(Received September 23, 1887.)

[*Answered by No.* 14.]

SIR, Citadel, Quebec, September 8, 1887.

WITH reference to my Despatch of the 28th July last,* relative to the proposed scheme for establishing cable connection between England and the Australian Colonies *viâ* Canada, I have now the honour to forward, for your information, a copy of a further Minute of the Privy Council of Canada, embodying a memorandum of my Minister of Public Works and submitting a copy of other correspondence upon this subject.

You will observe that my Minister recommends that no further steps be taken in the matter pending the receipt of an answer from the Colonial Office to Mr. Fleming's communication of the 8th June last.†

I have, &c.
(Signed) LANSDOWNE.

Enclosure in No. 13.

CERTIFIED COPY of a REPORT of a COMMITTEE of the Honourable the PRIVY COUNCIL approved by His Excellency the GOVERNOR-GENERAL IN COUNCIL, on the 26th August 1887.

On a memorandum dated 19th July 1887, from the Minister of Public Works, submitting that with reference to the scheme of the Pacific Cable Company (proposed) for the establishment of Cable connection between England and the Australian Colonies *viâ* Canada, an Order in Council was passed in which it was recommended that conditionally upon the Government of Great Britain and the Governments of the Colonies, other than Canada, interested paying certain proportions of the subsidy applied for by the Company, viz., 75,000*l.* a year during a term of 25 years, the Government of Canada agree to recommend to Parliament to provide the proportion of one-tenth of the total required subsidy.

The Minister further submits a report from the Superintendent of the Government Telegraph Service, in which he states that inasmuch as it appears from certain correspondence, a copy of which is herewith submitted, that the British Government has been petitioned by the general Colonial Conference to settle a question which has been raised as to the practicability of the laying of the proposed cable across the Pacific Ocean, by immediately providing for a thorough survey of the route, and that the Imperial Government appears disinclined to make any special provision for this purpose, and has so far made no reply to the further representations made on the 8th June last by Mr. Fleming in support of the subject of the petition referred to, he considers it would be inadvisable for the Dominion Government to take any present action in the matter.

The Minister, concurring in the report of the Superintendent, recommends that nothing further be done in the matter, pending the receipt of an answer of the Colonial Office to Mr. Fleming's communication, and of definite information as to what the promoters of the Pacific Cable propose to do.

The Committee advise that the High Commissioner be authorised to communicate in the sense of the foregoing recommendation with the Pacific Cable Company, and that a copy of the papers be sent to the Office of the High Commissioner for the information of Sir Charles Tupper.

JOHN J. MCGEE, Clerk,
Privy Council.

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* No. 11. † No. 5.

(Refe. Pacific Telegraph Company, Canada to Australia.)

Department of Public Works,
Canada, Ottawa, July 18, 1887.

Sir,

Having reference to my report of the 12th instant, the recommendations of which received the approval of the Honourable the Minister of Public Works and were assented to by the Honourable the Privy Council, and to the letter of the 14th June, with enclosures from the High Commissioner at London (referred by the Privy Council to the Honourable the Minister of Public Works), concerning the Pacific Telegraph, Canada to Australia, I beg leave to report that, inasmuch as it appears from the correspondence herein referred to, that the British Government has been petitioned by the general Colonial Conference to settle a question which has been raised, as to the practicability of the laying of the proposed cable across the Pacific Ocean, by immediately providing for a thorough survey of the route, and that the Imperial Government appears disinclined to make any special provision for this purpose, and has so far made no reply to the further representations made by Mr. Fleming in support of the subject of the petition referred to, I consider it would be inadvisable for the Dominion Government to take any present action in the matter.

I would therefore respectfully recommend that nothing further be done pending the receipt of definite information as to what the promoters of the Pacific Cable propose to do.

I have, &c.
(Signed) F. N. Gisborne,
Superintendent.

A. Gobeil, Esq.,
Secretary, Public Works.

Memorandum for Minister of Public Works.

Refe. proposed Pacific Telegraph, Canada to Australia, &c.

(1.) Report of Superintendent of Telegraph Service dated 12th July 1887, covers all previous correspondence, and states that the company has finally petitioned the Imperial Government and Colonies for an annual subsidy of 75,000*l.* for 25 years ; and recommends Dominion Government to contribute its proportion (7,500*l.*), conditionally upon the Governments of England and of the other Colonies agreeing to contribute theirs (contained in full Order in Council, July 1887).

(2.) According to the correspondence herewith (enclosures from the High Commissioner under date 14th June 1887) there was recently held a general Colonial Conference for the discussion of Postal and Telegraphic Communication during which a question was raised as to the practicability of laying a Cable across the Pacific Ocean, and in order that all doubt should be removed as early as possible a memorial, signed by all of the Colonial delegates (Sir A. Campbell and Mr. Fleming representing Canada), was sent to the Admiralty recommending that a thorough survey of the route be made at once.

The Admiralty in reply stated it was not considered advisable to make provision for special survey; the information would be gradually acquired during next few years in ordinary course of general surveying.

Mr. Fleming wrote at length emphasising the importance of the requisition, and asking reconsideration of the Admiralty's decision.

The matter rests here.

(3.) No action is required on part of the Dominion Government, unless it be to second Mr. Fleming's appeal, if it be considered advisable to do so ; and to advise him of the decision arrived at (if any) concerning the annual subsidy.

F. N. Gisborne,
18th July 1887. Superintendent Telegraphic Service.

Office of the High Commissioner for Canada,
London, S.W., June 14, 1887.

Sir,

I have the honour to transmit to you herewith, for the information of the Government, at the request of Mr. Sandford Fleming, a copy of a letter, with its

enclosures, addressed by that gentleman to the following Australian Colonies, viz., Victoria, New South Wales, Queensland, New Zealand, and Tasmania, and also to the representative at the Colonial Conference of Western Australia, with regard to the proposed cable across the Pacific Ocean from Australasia to Canada.

I have, &c.

The Honourable the Secretary of State, Ottawa, Canada. (Signed) CHARLES TUPPER.

Office of the High Commissioner for Canada,
9, Victoria Chambers, S.W., June 13, 1887.

SIR,

I AM requested by Mr. Sandford Fleming to enclose to you, for the information of the Government of , the following correspondence on the subject of a survey in the Pacific, in connection with a cable from Australasia to Canada.

1. Letter to Sir Henry Holland, Colonial Minister, from 21 delegates to the Colonial Conference, dated 16th May, 1887.*
2. Letter from Mr. Sandford Fleming to Mr. Baillie Hamilton, Secretary, in reference to the above, dated May 16th.*
3. Letter from the Colonial Office to the Admiralty, dated May 23rd.†
4. Letter from the Admiralty to the Colonial Office, dated May 28th.‡
5. Letter from the Colonial Office to Mr. Sandford Fleming, dated June 3rd.§
6. Letter from Mr. Sandford Fleming to the Colonial Office asking for a reconsideration of letter No. 1. dated June 8th, 1887.‖
7. Resolutions of the Colonial Conference, May 6th, 1887.‖

I have, &c.

The Agent-General for—New South Wales.
Victoria.
Queensland.
New Zealand.
Tasmania.
Western Australia (Hon. John Forrest).

(Signed) J. G. COLMER.

No. 14.

SIR H. T. HOLLAND to the MARQUIS OF LANSDOWNE (CANADA).

Downing Street, October 4, 1887.

MY LORD,

I HAVE the honour to acknowledge the receipt of your Lordship's Despatch of the 8th ultimo,¶ enclosing a minute of the Privy Council embodying a memorandum of the Minister of Public Works relating to the proposed scheme for establishing Cable connection between England and the Australian Colonies *viâ* Canada.

With reference to the recommendation to which you draw my attention, viz., that nothing further be done in this matter pending a receipt of an answer from the Colonial Office to Mr. Fleming's communication of the 8th of June last,‖ I have to request that you will refer your Ministers to my Despatch dated the 12th of the following month.** That despatch communicated to you a copy of Mr. Fleming's letter of the 8th of June,‖ informed you of the views of Her Majesty's Government on the matter of the survey of the proposed line which Mr. Fleming brought forward in that letter, and requested that Mr. Fleming, who had returned to Canada, might be apprised of the contents of the despatch. Your Lordship will perceive, therefore, that the despatch in question was intended as a reply to Mr. Fleming's letter to which reference has been made.

I have already in my Despatch of the 1st of September†† replied to the report of the Privy Council enclosed in your Despatch of the 28th of July,‡‡ but my despatch had not reached your Lordship when yours now under acknowledgment was written.

I have, &c.

(Signed) H. T. HOLLAND.

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* No. 1. † No. 2. ‡ No. 3. § No. 4. ‖ No. 5.
¶ No. 13. ** No. 9. †† No. 12. ‡‡ No. 11.

No. 15.

COLONIAL OFFICE to the HIGH COMMISSIONER FOR CANADA.

SIR, Downing Street, October 6, 1887.

I AM directed by Secretary Sir Henry Holland to transmit to you, for your information, copies of two despatches* received from the Governor-General of Canada, together with copies of the replies† which have been returned to them on the subject of the proposed scheme for establishing Cable connection between England and the Australian Colonies *viâ* Canada.

I am also to enclose a copy of a despatch which was addressed to the Governor-General on the 12th of July last,‡ with copies of its enclosures.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 16.

SIR H. B. LOCH (VICTORIA) to the MARQUESS OF RIPON.
(Received March 8, 1888.)

[*Answered by No.* 20.]

TELEGRAPHIC.

March 7, 1888.—In accordance with resolution passed by Postal Conference held Sydney, the whole of Australian Colonies being represented, my Government ask that Admiralty may be moved to make early survey of suitable route for ocean cable telegraph by way of Pacific Ocean *viâ* Vancouver Island, cost to be defrayed by Her Majesty's Government, Government of Canada, and Australasian Colonies.

No. 17.

COLONIAL OFFICE to ADMIRALTY.

[*Answered by No.* 18.]

SIR, Downing Street, March 16, 1888.

WITH reference to your letters of the 28th of May and of the 5th of July last,§ on the subject of a proposed telegraph cable between Canada and Australia, I am directed by Lord Knutsford to transmit to you, to be laid before the Lords Commissioners of the Admiralty, a copy of a telegram‖ received from the Governor of Victoria urging that an early survey may be made of a suitable line for a Cable.

As the Colonial Governments of Australia appear to be prepared to provide, in conjunction with the Imperial Government and the Government of Canada, a proportionate share of the expense of such a survey, Lord Knutsford, with a view to that further consideration of the question which has become necessary, would be obliged if their Lordships would furnish him, if it is in their power to do so, with an approximate estimate of the probable cost of a survey.

I have, &c.
(Signed) JOHN BRAMSTON.

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* Nos. 11 and 13. † Nos. 12 and 14. ‡ No. 9.
§ Nos. 3 and 7. ‖ No. 16.

No. 18.

ADMIRALTY to COLONIAL OFFICE.

(Received April 7, 1888.)

EXTRACT. [*See No.* 32.]

Admiralty, April 4, 1888.

I am commanded by my Lords Commissioners of the Admiralty to acknowledge the receipt of your letter of the 16th ultimo,* enclosing a copy of a telegram received from the Governor of Victoria in regard to the survey of the route for the telegraph Cable which it is proposed to lay between Canada and Australia, and requesting to be furnished with an approximate estimate of the cost of such a survey.

Her Majesty's ship "Egeria" is now on the point of sailing from Sydney to perform the important work of clearing up the dangers and fixing the positions of, and surveying, the Islands on the route from New Zealand to Vancouver, a work which my Lords understood was strongly urged by Rear-Admiral Sir George Tryon on the representations of the colonies.

In the course of this work the "Egeria" has orders to obtain deep soundings, which will in two or three years furnish more detailed information than now exists as to the varieties of depths to be expected on the general line of cable.

To survey a route for a cable to any purpose would, however, entail long searching for the best line, examination of contours of coral islands and continuous close sounding, and three years' steady work at that and nothing else would probably not complete the survey.

The operations on which the "Egeria" is about to be employed will provide for work of immediate value to, and of urgent necessity in connexion with, the commerce now springing up; and will also furnish gradually (at a minimum cost) the preliminary information required, and a great part of that directly bearing on the laying of a Cable.

My Lords do not, therefore, consider that it is advisable to make any alteration in the orders under which the "Egeria" is about to act, and as no vessel can be spared from her hydrographic work in any other part of the world the question of hastening the survey by providing another vessel must, in their Lordships' opinion, remain open until Lord Knutsford is able to inform this Department that there is a reasonable prospect that the funds for the construction of the submarine Cable across the Pacific will be found, and that time is of importance in Imperial interests.

In reply to the enquiry contained in the last part of your letter, my Lords desire me to state that the annual cost of Her Majesty's ship "Egeria" is about 12,000*l.*, and that if a similar vessel is provided especially for the purpose of making a complete survey of the best ocean route and landing places the cost would be about 36,000*l.* The foregoing estimate is irrespective of the value of the vessel and the cost of fitting her out.

No. 19.

SIR H. B. LOCH (VICTORIA) to SIR H. T. HOLLAND.

(Received April 12, 1888.)

[*Answered by No.* 20.]

Government House, Melbourne,

SIR, March 8, 1888.

I HAVE the honour to transmit a memorandum which I have received from my Government, enclosing a copy of a resolution relative to the proposed Pacific Telegraph Cable, which was passed at a conference lately held in Sydney at which the whole of the Australasian Colonies were represented.

My Government request me to ask that you will be so good as to move the Lords Commissioners of the Admiralty to cause the survey of the proposed route to be made as early as possible.

I have already communicated the substance of this memorandum by telegram.†

I have, &c.

(Signed) HENRY B. LOCH.

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* No. 17. † No. 16.

Enclosure in No. 19.

MEMORANDUM for HIS EXCELLENCY THE GOVERNOR.

The Premier presents his duty to your Excellency, and begs to brings under your Excellency's notice the following resolution relative to the proposed Pacific Telegraph Cable, which was passed at the Postal Conference, held at Sydney in January (ultimo), and at which the whole of the Australasian Colonies were represented, viz:—

"That this Conference is of opinion that it is desirable that a survey should be made of a suitable route for an Ocean Telegraph Cable, by way of the Pacific, *viâ* Vancouver Island, the cost of the survey to be defrayed by Great Britian, Canada, and the Australasian Colonies represented at this Conference. This, however, is not to bind any of the countries named to accept the proposals of the Pacific Cable Company, and that the subject of the Resolution be communicated to the various Australasian Governments."

New South Wales dissented.

This Government concurs in the recommendation contained in the Resolution referred to, and will be prepared to bear its proportion of the cost, as suggested by the Conference.

Mr. Gillies begs to request, therefore, that your Excellency will have the goodness to communicate by telegraph with the Right Honourable the Secretary of State on the subject, and ask that the Board of Admiralty may be moved to undertake the desired survey at the earliest possible date.

(Signed) D. GILLIES,
Premier.

Premier's Office, Melbourne,
March 5, 1888.

No. 20.

LORD KNUTSFORD to SIR H. B. LOCH (VICTORIA).
(Sent 3.15 p.m., April 27, 1888.)

TELEGRAPHIC.

Your despatch 8 March and your telegram 7 March,* communicated to Admiralty; question of survey cannot be decided pending receipt of Postal Conference proposals and views of Canadian Government, but Her Majesty's ship "Egeria" is about to leave Sydney for survey duty, including soundings between New Zealand and Sandwich Islands.

No. 21.

LORD KNUTSFORD to GOVERNORS OF AUSTRALASIAN COLONIES, (except Fiji) and to GOVERNOR-GENERAL OF CANADA.

MY LORD,
SIR,

Downing Street, May 1, 1888.

I HAVE the honour to transmit to you [† for communication to your Government] a copy of a letter‡ which I caused to be addressed to the Lords Commissioners of the Admiralty respecting the survey which Her Majesty's Government have been requested to make of a route for a Cable Telegraph between Canada and Australia across the Pacific Ocean; together with an extract from their Lordships' reply.§

Her Majesty's Government concur in the opinion expressed in the letter from the Admiralty, that the question of accelerating the survey must remain open until there is a prospect that the funds for the construction of the Cable will be found.

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* Nos. 16 and 19. † Omitted to Western Australia. ‡ No. 17.
§ No. 18, omitting first four paragraphs.

*[My telegram of the 27th ultimo† was founded on the letter from the Admiralty annexed to this despatch.]

I have, &c.
(Signed) KNUTSFORD.

No. 22.

SIR H. B. LOCH (VICTORIA) to LORD KNUTSFORD.
(Received June 16, 1888.)

Government House, Melbourne,
May 5, 1888.

MY LORD,

WITH reference to my Despatch of 8th March and to your Lordship's telegram of the 27th April ultimo,‡ relative to the proposed survey by the Admiralty of a suitable route for an ocean telegraph cable by way of the Pacific *viâ* Vancouver's Island, I have the honour to transmit a copy of the report of the proceedings of the Conference held in Sydney in January last.

The resolution relating to the Pacific Ocean telegraph cable appears in pages 7 and 12 of the enclosed Report.

I have, &c.
(Signed) HENRY B. LOCH.

Enclosure in No. 22.

OCEAN TELEGRAPH CABLE BY WAY OF THE PACIFIC *viâ* VANCOUVER ISLAND.

That this Conference is of opinion that it is desirable a survey should be made of a suitable route for an ocean telegraph cable by way of the Pacific, *viâ* Vancouver Island, the cost of the survey to be defrayed by Great Britain, Canada, and the Australasian Colonies represented at this Conference. This, however, is not to bind any of the countries named to accept the proposals of the Pacific Cable Company, and that the subject of the resolution be communicated to the various Australasian Governments.

New South Wales dissented.

No. 23.

SIR W. C. F. ROBINSON (SOUTH AUSTRALIA) to LORD KNUTSFORD.
(Received October 29, 1888.)

Government House, Adelaide,
September 22, 1888.

MY LORD,

I HAVE the honour to acknowledge the receipt of your Lordship's Circular Despatch of 1st May, 1888,§ transmitting correspondence respecting the survey which Her Majesty's Government have been requested to make, of a route for a cable telegraph between Canada and Australia across the Pacific Ocean.

These papers I communicated to my Ministers, who have sent me a minute on the subject from Mr. C. Todd, C.M.G., the Postmaster General of South Australia, which I herewith transmit to your Lordship, and the following Cabinet Minute :—

"We do not intend to contribute towards the cost of the proposed survey."

I have, &c.
(Signed) WILLIAM C. F. ROBINSON.

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* To Victoria only. † No. 20. ‡ Nos. 19 and 20. § No. 21.

Enclosure in No. 23.

From Mr. C. Todd, C.M.G., to the Minister of Education for South Australia.

Post and Telegraph Department (Adelaide).

Minute on Letter from Secretary of State.

Subject of Letter: Pacific Cable Survey.

Returned to the Honourable the Minister of Education.

A resolution was passed at the Sydney Postal Conference in January last, affirming that it was desirable that a survey should be made of a suitable route for a submarine cable from Vancouver to Australia at the joint cost of Great Britain, Canada, and the Australasian Colonies. According to the published report (Parly Paper, No. 49), New South Wales alone dissented, but I am under the impression that South Australia and Western Australia, represented by the Hon. the Minister of Education, also dissented.

It was understood that the Home Government had declined to pay any part of the cost of such survey, and that, so far, Canada was the only country which had manifested any interest in the scheme.

In the face of the known difficulties arising from coral reefs, and the enormous depths of the Pacific along the route proposed, estimated at 12,000 fathoms in some places, it is clear that a very careful survey would have to be made, to obtain the route of minimum difficulties and risk, before the Colonies and the Home Government could commit themselves to the scheme, involving, as it would, a guarantee of 75,000*l.* a year for 25 years.

The proposed cables, according to the amended offer, will be over 7,000 knots in length and will touch at the Sandwich Islands, Fanning Island, Samoa, Fiji, and New Zealand. The cost, I believe, is estimated at about 1,500,000*l.*

In view of the fact that the present cables can do at least six times the existing amount of business and that the Eastern Extension Company propose to lay a third cable, viz., from Java to Western Australia, the proposed Pacific cable cannot be said to be required. It is urged that in the event of war the cables to India and Port Darwin would be cut by the enemy, but the same thing, we may be sure, would happen to the Pacific cables. They would be cut in the most inaccessible places and where repairs would be most difficult. An interruption on any one of the comparatively short lengths into which the present cables are split up can easily be bridged over by swift steamers, but not so the Pacific. In the mid-ocean too, in the regions of the trade winds, the work of picking up and repairing the cable would be difficult, and might be prolonged greatly by bad weather. We have constant instances of this with the Atlantic cables, several of which have had to be abandoned.

In the case of the existing route a small expenditure will secure, practically speaking, all reasonable immunity from interruption, and the lowest possible tariff on messages.

As the Government are aware I have given this subject very great and careful consideration, more so, perhaps, than any one else, and as I cannot see any commensurate advantages to be gained over what we already possess, I cannot recommend that the Governments should render any assistance to the Pacific cable scheme or pay any part of the cost of a preliminary survey.

September 3, 1888.

C. Todd,
P.M.G., S.A.

No. 24.

The EASTERN EXTENSION TELEGRAPH COMPANY to COLONIAL OFFICE.

(Received November 20, 1888.)

[*Answered by No.* 26.]

Winchester House, 50, Old Broad Street,
London, E.C., November 17, 1888.

My Lord,

I have the honour to transmit to your Lordship a copy of a telegram received from our agent at Melbourne, believing that it will interest you to know that the Australasian Governments do not appear to be much affected by the excitement which the

promoters of the Pacific Telegraph Company are trying to get up in order to further the objects which they have in view.

As your Lordship is probably aware the Pacific Telegraph Company is now inviting the Canadian and Australasian merchants in London to meet at the Cannon Street Hotel on the 22nd instant to pass resolutions in favour of their project; which resolutions will probably be made to appear in the Colonies and elsewhere as a spontaneous public movement, whereas it is only a promoters' agitation, the main object being to benefit their own private interests. They are even endeavouring to influence the press in their favour, as your Lordship will see by the enclosed newspaper cutting.

The matter is, however, in a small compass. If the Governments concerned are prepared to subsidize a Pacific cable for strategical purposes we have not a word to say against it, provided the existing communication is dealt with in a similar manner; but if the object of the Governments is to obtain cheap tariffs, the way to bring this about is not by enormously increasing the capital beyond traffic requirements and thus injuring the present communication, but by assisting the existing Companies on the guarantee principle suggested at the Colonial Conference last year, by which the Colonies would have full control over the tariff under most favourable conditions.

As your Lordship is aware, we are laying down without any subsidy whatever, 3,000 miles of cable along the west coast of Africa, and this is being done partly to meet the wishes of the Government for strategical purposes. We asked the Government to take some soundings for us in connection with this work but were told that they had no ships available for the purpose, and we consequently went to the expense of taking the soundings ourselves, and I now enclose a copy of the soundings,* just received, which will be found interesting, and a very good argument when other people ask for national money for such purposes.

I observe in the Sydney newspapers that Sir Henry Parkes is said to have stated that if the Pacific cable is to be laid it is a work for private enterprise rather than for Governments to undertake, and having regard to what has been done in the past by private enterprise Sir Henry Parkes is justified in forming such an opinion for, with the exception of the few interruptions we have had on the Australian section, there is no service in the world that is more complete and efficient than the existing communication with the Australasian Colonies.

I have, &c.
(Signed) JOHN PENDER,
Chairman.

Enclosure 1 in No. 24.

AGENT (Melbourne) to EXTENSION COMPANY.

TELEGRAM.

November 17, 1888.

"Melbourne Daily Telegraph" says:—

"The attention of the premier has been called to the cable message stating that the Canadian Government intended to invite an Australian Conference to consider the Pacific cable project. Gillies has not received an official communication from Canada, and at present is disposed to doubt the wisdom of the proposal. The Sydney Congress resolved that it was desirable that a survey should be made for a suitable telegraph cable by way of the Pacific *viâ* Vancouver Island, the cost of the survey being defrayed by Great Britain, Canada, and the Australasian Colonies, and represented that this would not bind any of the countries named to accept the proposals of the Pacific Cable Company. New South Wales dissented at the time, and since all the other Colonies have backed out in spite of the efforts of Victoria to bring about united representations to the Imperial Authorities. Gillies is afraid that at present the Pacific cable scheme is blocked by the apathy of the authorities of the other Colonies, and Victoria is not justified in alone negotiating with Downing Street, the responsibility and obligation being too great."

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* Not printed.

Enclosure 2 in No. 24.

"The Evening Standard," November 16, 1888 :—

"A volcanic eruption at the bottom of the sea would not appear to be a very likely source of benefit to humanity; yet there is reason to believe that the great 'sea-quake' which occurred some time ago in the Indian Ocean will prove the most effective argument in favour of the realisation of a project which will prevent a repetition of the evils consequent upon the breaking of the telegraphic cable connecting Australia with the rest of the world. For many days, it will be remembered, Australia was, through this accident, cut off from direct communication with the rest of the civilised world. Prior to this, the Canadian Government had been advocating the laying down of a new cable across the Pacific, from Vancouver's Island to the Australian Colonies, but the project was making very slow progress until the old cable gave way. Now the scheme appears to be advancing rapidly. The Canadian Government have invited all the Australasian Governments to send representatives to a conference to be held at Ottawa next year, to deliberate, amongst other things, upon the proposed Canadian and Australian cable It is stated that a number of influential firms connected with the Colonies are ready to support the project; and as there is a company ready to provide the cable, if guaranteed 75,000*l.* per annum for a term of years, Australia will probably not have to wait long before she has a second and independent cable connecting her with America and Europe."

No. 25.

LORD STANLEY OF PRESTON (Canada) to LORD KNUTSFORD.
(Received December 4, 1888.)

[*Answered by No.* 27.]

Government House, Ottawa,
November 17, 1888.

My Lord,

I have the honour to transmit to your Lordship a copy of an approved Privy Council Order embodying a report of my Minister of Finance on the subject of trade relations and telegraphic connection between Canada and Australia.

Your Lordship will observe that, with the view of arriving at some mutually advantageous arrangement, the several Australian Colonies and New Zealand have been invited to send delegates to meet in Canada for the purpose of conferring with the Dominion Government as to the best means of attaining these desirable ends.

I have communicated copies of the above Minute of Council to the Governors of the several Australian Colonies and New Zealand.

I have, &c.
(Signed) STANLEY OF PRESTON.

Enclosure in No. 25.

Certified Copy of a Report of a Committee of the Honourable the Privy Council approved by His Excellency the Governor General in Council, on the 13th November 1888.

On a Report dated 6th November 1888, from the Minister of Finance, stating that he has had under consideration a communication from Mr. Owen Jones to the Right Honourable the Premier of the Dominion, in which, after reviewing his visit to the Australian Colonies for the purpose of promoting the establishment of direct telegraphic communication between Canada and Australia, he states his belief after conferring with the business men, the principal public men, and the leaders of public opinion in those Colonies, that it is the desire of the Colonies to enter into closer commercial relations with Canada.

The Minister finds from a perusal of the correspondence that it appears that while the Australian Colonies are willing and most anxious to co-operate with Canada in establishing intimate trade relations and the closest possible telegraphic connection with

Canada, yet it is their desire that any action taken having this end in view should find its initiative with Canada.

The Minister is of opinion that it would be most desirable in the public interest to take all possible steps to establish and encourage more extensive inter-colonial trade and closer telegraphic communication between Canada and Australia, and with the view of arriving at some mutually advantageous arrangement he recommends that the several Australian Colonies and New Zealand be invited to send delegates to meet in Canada for the purpose of conferring with the Dominion Government as to the best means of attaining these desirable ends and that any time which may be agreed upon among themselves for the sending of such delegates will be acceptable to the Dominion Government.

The Committee concurring advise your Excellency be moved to forward copies of this Minute to the Governors of the several Australian Colonies and New Zealand in accordance with the recommendation of the Minister of Finance, and they are of opinion that it is desirable that such meeting should take place at as early a date as possible.

The Committee further advise that your Excellency be moved to forward a copy hereof to the Right Honourable the Secretary of State for the Colonies.

All which is respectfully submitted for your Excellency's approval.

(Signed) JOHN J. McGEE,
Clerk, Privy Council.

No. 26.

COLONIAL OFFICE to the EASTERN EXTENSION TELEGRAPH COMPANY.

SIR, Downing Street, December 5, 1888.

I AM directed by Lord Knutsford to acknowledge the receipt of your letter of the 17th ultimo,* with its enclosures on the subject of the proposed cable between Canada and Australia.

I have, &c.
(Signed) JOHN BRAMSTON.

No. 27.

LORD KNUTSFORD to LORD STANLEY OF PRESTON (CANADA).

MY LORD, Downing Street, December 22, 1888.

I HAVE the honour to acknowledge the receipt of your Despatch, of 17th November,† reporting that your Government had invited the Australian Colonies and New Zealand to send delegates to a Conference on the subject of trade relations and telegraphic communication between Canada and Australasia.

I have observed with interest the steps taken by your Government in this matter.

I have, &c.
(Signed) KNUTSFORD.

No. 28.

SIR H. B. LOCH (VICTORIA) to LORD KNUTSFORD.
(Received April 1, 1889.)

Government House, Melbourne,
MY LORD, February 21, 1889.

I HAVE the honour to transmit a copy of a despatch that I have received from his Excellency the Governor General of Canada and also a copy of a despatch acknowledging

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* No. 24. † No. 25.

the receipt of the same and of a telegraphic reply I addressed to Lord Stanley of Preston this day.

I have, &c.
(Signed) HENRY B. LOCH.

Enclosure 1 in No. 28.

Government House, Ottawa,
November 17, 1888.

SIR,

I HAVE the honour to transmit to you, for the information of your Government, a copy of an approved Minute of the Privy Council,* concurring in the recommendation of my Minister of Finance, embodied therein, that the several Australian Colonies and New Zealand be invited to send delegates to meet in Canada for the purpose of conferring with the Dominion Government as to the best means of establishing intimate trade relations and the closest possible telegraphic connection between Canada and Australia and that any time which may be agreed upon among themselves for the sending of such delegations will be acceptable to the Dominion Government.

You will observe that my Ministers are of opinion that such meeting should take place at as early a date as possible.

I have, &c.
(Signed) STANLEY OF PRESTON.

His Excellency the Governor of Victoria,
&c. &c. &c.

Enclosure 2 in No. 28.

MEMORANDUM for His Excellency the Governor.

Premier's Office, Melbourne,
February 20, 1889.

THE Premier presents his duty to your Excellency, and has the honour to return, herewith, the despatch from his Excellency the Governor General of Canada, dated 17th November 1888, conveying an invitation from the Government of the Dominion to the several Australian Colonies to send delegates to Canada for the purpose of conferring with the Dominion Government as to the best means of establishing intimate trade relations and the closest possible telegraphic connection between Canada and Australia.

With regard to both of these subjects, Mr. Gillies would be glad if the Government of Canada were asked to be good enough to furnish, at an early date, some information respecting the nature of the proposals which they may have in view for effecting the objects desired. The possession of this information would doubtless materially assist the Australasian Colonies in estimating the advantages to be derived from the proposed Conference, and would also enable them to make further inquiries in anticipation of the assembly of the Conference, if arranged to be held, and thus tend to facilitate the despatch of business at the assembly.

As respects the place suggested in Lord Stanley of Preston's communication for the holding of the Conference, Mr. Gillies desires to point out that almost all of the Australasian Parliaments are, as a rule, in session during the months from June to December in each year. During that period it would be impossible for the responsible Ministers who would doubtless be selected as Representatives at the Conference to be absent from their posts, which circumstance, added to the length of time necessarily occupied by the voyages to and fro, and having in view the large number of delegates concerned, constitutes serious difficulty in the way of Canada being fixed upon as the seat of the Conference.

This matter has recently been considered and informally discussed by the several Governments interested, and there was an almost absolute unanimity of opinion on their part that it would be far preferable that the Conference should be held, if at all, in Australia instead of in Canada, as proposed. The adoption of this proposition would, it is hoped, not occasion any serious inconvenience to the Canadian Government, because

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* See Enclosure in No. 25.

there is very little question but that the meeting could be arranged for a period that would suit the convenience of that Government, and the number of Representatives required to leave their homes for a lengthened term would be comparatively few.

Mr. Gillies requests that your Excellency will be pleased to refer these considerations to his Excellency the Governor of Canada, to be laid before his Government, with the expression of a hope that they will be favourably entertained, and with the assurance that a cordial welcome will be accorded to those gentlemen who may be appointed to represent that great country.

(Signed) D. Gillies,
Premier.

Enclosure 3 in No. 28.

Telegram to Governor General of Canada, dated February 21, 1889.

With reference to your letter 17th November my Government glad if some information could be furnished with reference to proposals for establishing intimate trade relations and telegraphic communication; this would facilitate matters in many ways. With reference to place for holding Conference, Australian Parliaments will be in session during months from June to December, within that period Ministers, who doubtless would be Representatives, could not be absent. Moreover length of time occupied in voyage and number of delegates concerned constitutes serious difficulty in Canada being fixed as seat of Conference. Matter has been informally discussed by several Governments interested; there is absolutely unanimity of opinion that it would be preferable Conference be held in Australia. Hope adoption of this proposition will not occasion inconvenience to Canada, meeting could be arranged to suit convenience of Canada. If this proposition favourably considered I am to assure your Excellency on behalf of my Government a cordial welcome will be accorded to those gentlemen who may be appointed by your Government.

Henry B. Loch.

No. 29.

The HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.
(Received October 2, 1889.)

[*Answered by No.* 31.]

9, Victoria Chambers, Westminster, S.W.,
September 30, 1889.

Sir,

I beg to transmit to you herewith a copy of a letter I have received from the Hon. J. J. C. Abbott, who, as you are aware, is a member of the Canadian Cabinet, and has been appointed to attend the meeting of the representative of the Australasian Governments to be held at an early date for the purpose of considering the question of trade intercourse between Australasia and Canada and also the best means of improving the postal and cable communication between those two sections of Her Majesty's dominions.

It will be observed from Mr. Abbott's communication that it is very important that soundings should be taken as promptly as possible between Honolulu and Vancouver. Would it not be possible to utilise one of Her Majesty's ships on the Pacific station for this purpose? I shall be glad if you will be so good as to ask Lord Knutsford to move the Admiralty in this matter, and, if possible, induce them to provide at an early date for the accomplishment of this work.

I am, &c.
(Signed) CHARLES TUPPER.

Enclosure in No. 29.

88, Cannon Street, E.C.,
September 24, 1889.

DEAR SIR CHARLES TUPPER,

IN examining the surveys of the Pacific with regard to the Pacific cable project, I perceive that while the United States have two routes to Hawaii surveyed, and the depths ascertained, commencing at San Francisco, we have none between this island and our coast. I understand that a man-of-war is now engaged in a survey west of Hawaii where we really have sufficient information upon which to base an estimate of cost, approximate at all events, while nothing is being done to ascertain the depths between Vancouver Island and Hawaii.

I do not know exactly how these surveys are set in motion, but if anything could be done towards getting even a series of approximate soundings over the portion of the proposed cable route east of Honolulu, it would be of great value in the approaching discussion of the project. And perhaps you will kindly consider the matter, and do whatever your good judgment may indicate as likely to be of use. I do not hesitate to suggest this, as you know that our Government is interesting itself about this cable purely as a national matter, in which we venture to think the mother country is as much concerned as ourselves, and not in any way or degree in connection with any private project or interest.

Very sincerely, &c.
(Signed) J. J. C. ABBOTT.

The Hon. Sir Charles Tupper,
High Commissioner for Canada.

No. 30.

THE EASTERN EXTENSION TELEGRAPH COMPANY to COLONIAL OFFICE.

(Received October 10, 1889.)

[*Answered by No.* 34.]

Winchester House, 50, Old Broad Street,
London, E.C., October 9, 1889.

DEAR SIR ROBERT HERBERT,

REFERRING to our recent interview in regard to the late unfortunate interruption of telegraphic communication between New Zealand and Australia, and to the desirability of strengthening the communication, I now send you copies of letters I have addressed to the Governments of New Zealand and New South Wales on the subject, and should be glad if you would take an opportunity of putting them before Lord Knutsford.

You will observe that in offering to duplicate the cable we seek to obtain protection against unnecessary competition, and as this principle was recognised by Her Majesty's Government when giving an assurance to the Eastern Company some years ago against unnecessary competition with that Company's cables between England and India, I trust Lord Knutsford will approve our application, and see his way to communicate with the Governments interested in support of it.

Faithfully Yours,
(Signed) JOHN PENDER.

Enclosure in No. 30.

Winchester House, 50, Old Broad Street,
London, E.C., October 9, 1889.

SIR,

THE recent unfortunate interruption during repairs to the Sydney-Nelson Cable of telegraphic communication between New Zealand and Australia, extending over a period of 12 days, has reminded my Board that the cable has been in existence for a good many years, and, being a single line, cannot be depended upon with any degree of certainty ; and as a continuous service is of the first moment to the telegraphing public, in order that no inconvenience may arise to the important interests involved, the Board are seriously considering the advisability of duplicating the communication at no distant date. Before, however, coming to a definite decision on the subject they wish to receive formal permission to make the necessary landings, and an assurance that the Company shall be secured against competition not necessary with a due regard to the public

interests, provided the Company maintains its lines in a thoroughly efficient condition and supplies additional cables as, and when, required by the increase of traffic. This principle was recognised by Her Majesty's Government when they gave a similar assurance to the Eastern Telegraph Company some years ago in regard to telegraph communication between England and India.

The proposed additional cable between Australia and New Zealand is not wanted to meet traffic requirements, as the existing line has a large margin of carrying capacity, but solely for strengthening the communication and securing to the public a thoroughly reliable service, to attain which the Company is disposed to make a sacrifice involving a considerable expenditure of money.

I have, &c.

To the Hon. the Postmaster-General, New Zealand.

(Signed) JOHN PENDER, Chairman.

[A similar letter sent to the Postmaster-General of New South Wales.]

No. 31.

COLONIAL OFFICE to the HIGH COMMISSIONER FOR CANADA.

SIR, Downing Street, October 10, 1889.

I AM directed by Lord Knutsford to acknowledge the receipt of your letter of the 30th ultimo,* enclosing a commmunication from the Hon. J. J. C. Abbott respecting the survey of the route of the proposed cable between Vancouver and Australia.

I am to state in reply that Lord Knutsford is in communication with the Lords Commissioners of the Admiralty on this matter.

I am, &c.

(Signed) JOHN BRAMSTON.

No. 32.

COLONIAL OFFICE to ADMIRALTY.

[*Answered by No.* 33.]

SIR, Downing Street, October 10, 1889.

WITH reference to your letter of the 4th of April 1888,† I am directed by Lord Knutsford to transmit to you, to be laid before the Lords Commissioners of the Admiralty, a copy of a letter* from the High Commissioner for Canada respecting the survey of the route of the proposed cable between Canada and Australia.

Lord Knutsford would be glad to be informed whether their Lordships are of opinion that the decision arrived at in 1888 must be adhered to, or whether there is any possibility of meeting, either wholly or to some extent, the wishes of the Colonial Governments in this matter.

I am, &c.

(Signed) JOHN BRAMSTON.

No. 33.

ADMIRALTY to COLONIAL OFFICE.

(Received October 24, 1889.)

SIR, Admiralty, October 23, 1889.

I AM commanded by my Lords Commissioners of the Admiralty to acknowledge the receipt of your letter of 10th instant,§ on the subject of the survey of the route of the proposed cable between Canada and Australia.

2. My Lords desire me to state that no change in the situation has occurred since the decision arrived at in 1888, and their Lordships must adhere to the opinions expressed in Admiralty letter of 4th April 1888.‡

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* No. 29. † No. 18. ‡ No. 32.

3. My Lords desire me further to state, for the information of Lord Knutsford, that Her Majesty's Surveying Vessel "Egeria" has been steadily at work, during two years, in the south-western portion of the Pacific, and that the greater part of the work done will be of direct value in connexion with any future cable which it may be decided to lay down; their Lordships are not therefore disposed to disturb the programme of work which is now being carried out by the "Egeria," and thus lose valuable time by sending her an immense distance solely to obtain soundings at the other end of the line, as such soundings will be obtained in the ordinary course, when the scene of the "Egeria's" operations is shifted to the American end of the proposed route.

4. I am to add that the suggestion of the Agent-General, that one of the cruisers on the Pacific station could obtain soundings between Honolulu and Vancouver, is not practicable, as special fittings are required for such a purpose, and it is also necessary that the officers employed should possess a knowledge of the work.

I am, &c.
(Signed) EVAN MACGREGOR.

No. 34.

COLONIAL OFFICE to THE EASTERN EXTENSION TELEGRAPH COMPANY.

SIR, Downing Street, October 24, 1889.

I AM directed by Lord Knutsford to acknowledge the receipt of your letter of the 9th instant,* addressed to Sir R. Herbert, enclosing copies of communications which you had addressed to the Postmasters-General of Sydney and New Zealand respectively on the subject of the proposed duplication of the New Zealand and Australian telegraph cable.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 35.

COLONIAL OFFICE to the HIGH COMMISSIONER FOR CANADA.

SIR, Downing Street, November 2, 1889.

WITH reference to the letter from this Department of the 10th ultimo† and to previous correspondence respecting the proposed cable between Canada and Australia, I am directed by Lord Knutsford to transmit to you a copy of a letter‡ from the Admiralty on the subject.

I am, &c.
(Signed) R. H. MEADE.

No. 36.

LORD STANLEY OF PRESTON (CANADA) to LORD KNUTSFORD.
(Received February 13, 1890.)

Government House, Ottowa,
MY LORD, January 27, 1890.

WITH reference to the subject of my Despatch, of the 17th November 1888§, I have the honour to transmit herewith, for your Lordship's information, a copy of an approved Minute of the Privy Council embodying a report by the Right Hon. Sir John A. Macdonald as to the proceedings of the Commission appointed by this Government to visit the several Australian Colonies for commercial purposes.

Your Lordship will observe, that it is proposed that the Mission should be postponed until next spring, when it is hoped a Conference may be arranged at which the representatives of the various interested Colonies may meet.

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* No. 30. † No. 31. ‡ No. 33. § No. 25.

Copies of this Minute have been forwarded to the Governors of the several Australian Colonies and New Zealand.

I have, &c.
(Signed) STANLEY OF PRESTON.

Enclosure in No. 36.

CERTIFIED COPY of a REPORT of a COMMITTEE of the Honourable the PRIVY COUNCIL, approved by His Excellency the GOVERNOR GENERAL IN COUNCIL, on the 13th January 1890.

On a Report dated 8th of January 1890, from the Prime Minister, submitting with reference to the Minute of Council dated 17th August last approved by your Excellency, constituting a Commission to visit the several Australian Colonies for commercial purposes, the Hon. John J. C. Abbott, the Chief Commissioner, proceeded to England last summer, intending to proceed thence in the early autumn, *viâ* the Suez Canal, to fulfil his mission, it having been arranged that his colleague, Mr. Brown, and Mr. Parmalee, his Secretary, should join him *en route*.

That on arriving in London, however, Mr. Abbott had an opportunity of conferring with the Australian Agents General and ascertained that the time for his arrival would not be opportune, as by the time the Commission should reach its destination, several, if not all, of the Colonial Legislatures would be in session and it would therefore be difficult, if not impossible, to secure the presence of Cabinet Ministers at any Conference that might be determined on.

Sir John Macdonald states that Mr. Abbot thereupon returned to Canada, and has suggested that the Mission should be postponed until next spring, and the Colonial Governments invited to arrange for a Conference at a convenient season and at which the Dominion might be represented.

The Prime Minister recommends that this suggestion be adopted, and your Excellency moved to inform the several Australasian Governments that Canada is still desirous of meeting them in Conference, and will be prepared to send a delegation for the purpose, to such place and at such time as may be agreed upon between themselves.

The Committee concurring, advise that your Excellency be moved to take the steps necessary as above recommended by the Prime Minister, and that your Excellency be further moved to inform the Right Hon. the Secretary of State for the Colonies in the sense of this Minute.

All which is respectfully submitted for your Excellency's approval.

(Signed) JOHN J. McGEE,
Clerk, Privy Council.

No. 37.

THE EASTERN EXTENSION TELEGRAPH COMPANY to COLONIAL OFFICE.

(Received February 21, 1890.)

[*Answered by No.* 38.]

Winchester House, 50, Old Broad Street,
SIR, London, E.C., February 20, 1890.

As you are aware, the Eastern Extension Company, in consequence of the unfortunate interruption of telegraphic communication for some 12 days last year between Australia and New Zealand, decided to duplicate their Sydney-Nelson Cable without delay, so as to prevent as far as possible any further inconvenience to the telegraphing public.

I am now directed by the Chairman to inform you that the manufacture of the Duplicate Cable (1,365 knots in length) has been completed and shipped on board the Telegraph Construction and Maintenance Company's s.s. "Scotia," which leaves the Thames to-day for Sydney to lay the cable. The expedition will reach Sydney about the middle of April, and the work should be completed by the end of that month.

The large expenditure (over 200,000*l.*) involved in duplicating the New Zealand Cable is not made to meet traffic requirements, the existing line being far more than

equal to the transmission of the present traffic, but is provided solely for the purpose of strengthening and improving the telegraphic service with New Zealand.

I have, &c.
(Signed) F. E. HESSE,
Secretary.

No. 38.

COLONIAL OFFICE to the EASTERN EXTENSION TELEGRAPH COMPANY.

SIR, Downing Street, February 27, 1890.

I AM directed by Lord Knutsford to acknowledge the receipt of your letter of the 20th instant,* stating that the steamer carrying the duplicate Sydney-Nelson Cable would leave for Sydney on that day, and that the work would probably be completed by the end of April.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 39.

COLONIAL OFFICE to the AGENTS GENERAL FOR THE AUSTRALASIAN COLONIES.

SIR, Downing Street, March 3, 1890.

I AM directed by Lord Knutsford to transmit to you, for your information, a copy of a Despatch† from the Governor-General of Canada, enclosing an approved minute of his Privy Council, embodying a report by Sir J. Macdonald as to the proceedings of the Commission appointed by the Dominion Government to visit the several Australian Colonies for commercial purposes.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 40.

THE EASTERN EXTENSION TELEGRAPH COMPANY to COLONIAL OFFICE.

(Received May 8, 1890.)

[*Answered by No.* 41.]

Winchester House, 50, Old Broad Street,
SIR, London, E.C., May 7, 1890.

I HAVE the pleasure to inform you that the laying of the Company's new Sydney-Nelson Cable has this day been successfully completed, thus duplicating the cable service between Australia and New Zealand, and increasing the security of the communication.

I have, &c.
(Signed) JOHN PENDER,
Chairman.

No. 41.

COLONIAL OFFICE to the EASTERN EXTENSION TELEGRAPH COMPANY.

SIR, Downing Street, May 12, 1890.

I AM directed by Lord Knutsford to acknowledge the receipt of your letter of the 7th instant‡ reporting that the laying of the New Sydney-Nelson Cable had been successfully completed on that day.

I am, &c.
(Signed) EDWARD WINGFIELD.

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* No. 37. † No. 36. ‡ No. 40.

No. 42.

SANDFORD FLEMING, Esq., to COLONIAL OFFICE.

(Received June 27, 1890.)

[*Answered by No.* 44.]

Hotel Victoria, Northumberland Avenue,
London, W.C., June 26, 1890.

My Lord,

I feel constrained to address you on a subject which concerns Canada not less than other great divisions of the Empire.

When I left Ottawa two weeks ago the matter to which I desire to refer had not been noticed in any quarter on the other side of the Atlantic. My attention has been directed since my arrival here to communications in newspapers of recent date, and more particularly to an article in the "Times" of the 20th instant, on the subject of telegraphy between Great Britain and Australasia.

If I understand the proposal which has been made, it is that the charges for telegraphing should be reduced to about one-half the present rates on condition that the Imperial and Australian Governments join in guaranteeing a certain revenue to the Eastern and Eastern Extension Telegraph Companies, which guarantee would involve a liability estimated by the representatives of these companies at 54,000*l*., more or less, per annum. To put the proposal in other words, the Governments are asked, as I understand it, to assume the responsibility of supporting and maintaining the monopoly of the present line of telegraph for a period of ten years.

The proposal is not new. It was made by the same companies in a slightly modified form (the principle being the same) three years ago, but it was not then seriously entertained. My surprise is that it should again be renewed, and I feel it a public duty to point out the consequences which will result should the proposal be accepted.

To enable me to do so it is necessary that I should refer to the proceedings of the Colonial Conference of 1887, at which I had the honour to be one of the representatives of the Dominion.

At this Conference an obligation rested upon the Canadian Delegates to explain the position of Canada in relation to the telegraphic communications of the Empire, and it was acknowledged by nearly every member of the Conference that it would not be possible to overlook the undertakings and the peculiar geographical situation of the Dominion, in considering the telegraphic relations of England and Australia, and in dealing with Imperial communications as a whole.

So much importance was attached to the subject that after the proposal of the Telegraph Companies was submitted and every argument in its support advanced by their most able advocate and representative, Sir John Pender, the Conference formally adopted two resolutions in favour of the Canadian route, and I desire to emphasize the fact that no propositions brought before the Conference were assented to more cordially or with greater unanimity.

These resolutions read as follows:—

1st. "That the connection recently formed through Canada from the Atlantic to the Pacific by railway and telegraph opens a new alternative line of Imperial communication over the high seas and through British Possessions, which promises to be of great value alike in naval, military, commercial, and political aspects."

2nd. "That the connection of Canada with Australia by direct submarine telegraph across the Pacific is a project of high importance to the Empire, and every doubt as to its practicability should without delay be set at rest by a thorough and exhaustive survey."

The explanations and discussions of which these resolutions were the outcome, set forth in ample detail that the true way to permanently reduce the charges in telegraphy between Great Britain and Australia is to utilize the Canadian route and establish a new cable across the Pacific from the Western coast of the Dominion. It was likewise shown that by this alternative route, the electric cable would be laid in deep water and the telegraph would pass through countries under the British flag, and in consequence would in every respect be safer from injury than the existing line, and more permanently serviceable in peace or war.

The representations of the Conference were considered of so much importance that the Admiralty commenced a survey of the new route and up to the present time has, as far

as I am aware, discovered no difficulties in the way. Possession has also been taken by Great Britain of a number of islands in the Pacific, for the purpose of establishing mid-ocean stations.

Recognising that negotiations were necessary in order to reach a common understanding, the Government of Canada two years ago invited the Governments of Australia and New Zealand to send delegates to Canada to consider the whole question of telegraphic and trade relations and arrange terms. Correspondence resulted, involving delay, and it was finally agreed that delegates should be sent from Canada to Australia. Accordingly the Canadian Government appointed delegates last year, but the proposed federation of the Australian Colonies postponed their visit under the conviction that more effective action would be attainable after federation became accomplished. The unfortunate delay proceeds from causes some of which exhibit the extreme desirability of having closer connection by a direct cable across the Pacific. I believe I am correct in stating that the Canadian Government only awaits the proper moment again to commission delegates to proceed on the same mission.

Under these circumstances it certainly would be a retrograde step to adopt the proposal of the Eastern and Eastern Extension Telegraph Companies. Its adoption would practically put an end to any prospect of connecting Canada and Australia telegraphically for ten years to come, possibly for a much longer period. Admitting all that can be said in favour of reducing telegraph charges, admitting that they cannot be reduced a moment too soon, would it be wise to prevent the establishment of an alternative line which, to a greater extent than by any other means, would have the effect of reducing these charges? If time be an element of importance, is not the true policy to accelerate the survey undertaken by the Admiralty, and make arrangements for establishing the new line with the least possible delay? It is obvious that the acceptance of the proposal of the existing telegraph companies would prove a serious blow to Colonial development and commercial expansion on the waters of the Pacific. It cannot be accepted without completely ignoring the commanding position of the Dominion, and disregarding all that Canadian enterprise has done to make that position commanding. Would this be wise? Is it expedient? Are there not Imperial interests of the first magnitude involved in the question?

In 1886 Her Majesty's Government advised the Queen to summon a Conference for the discussion of questions of general importance to the Empire. The Colonial Minister in calling the Conference specially alluded to the development of Imperial telegraphic communications and give expression to the opinion that "they should be considered as a "whole in order that the needs of every part of the Empire may, as far as practicable, "be provided for, and that suggestions may be obtained from all quarters as to the best "means of establishing a complete system of communication without that increased "expenditure which necessarily results from isolated action."

The joint deliberation of delegates from all parts of Her Majesty's Empire, and the formal submission of their deliberate opinion under the circumstances of their appointment and in view of the objects for which they were called together should carry with it due weight.

The reduction of telegraph charges is most important, but there are other momentous considerations, and while it has been indisputably shown that the new line will be able to do its work at far lower rates than is possible by the old line, most important advantages of another kind can justly be claimed for it. It will secure to the mother country a second and more direct means of reaching Australia, incidentally affording the much needed connection with Fiji and other outlying dependencies. It will indirectly give a new means of communication with India, should the lines through Europe and the Red Sea become, through war or other causes, unusable. The new line will create common interests between Australians and Canadians, it will bring closer together the great outlying divisions of the Empire, it will play an important part in fostering British commerce and upholding the British flag on the Pacific. I humbly think that the 54,000*l.* per annum, or whatever sum may be required to carry out the proposal now before the Government, would more advantageously be expended on the establishment of a new cable across the Pacific from Canada to Australia. Canada has always been prepared to contribute her full proportion of expenditure on works of an Imperial character. If she has expended fifty millions of pounds sterling in building a great national highway from the Atlantic to the Pacific, who can doubt that she will be ready to do her share in establishing a new telegraph from her western coast to Australia? Is the opinion of the Colonial Conference, unanimously expressed, to be unheeded? Is it expedient that Canada and the Canadian route should be wholly ignored? Is it desirable that any course should be followed which will debar the Canadian Dominion from co-operating from her sister Colonies and

with the Mother Country in a matter in which they each have a common interest? I venture to think that aid in the way proposed to the existing companies would be fatal to any Pacific telegraph; it would essentially be a step backwards and could lead to no permanent good, while the same outlay expended in another direction would result in incalculable advantages. I speak advisedly and with a thorough knowledge of what I speak when I say that the sum of 54,000*l.* per annum from the Australian and Imperial Governments, added to the assistance which may reasonably be expected from Canada and other sources, would insure the completion of telegraphic communication between Great Britain and Australia by the Canadian route, and would realize the fulfilment of a great national idea pregnant with lasting advantages to the great and growing communities under the one flag on the three continents. It would secure the completion of an alternative line of communication, British throughout, to multiply and strengthen the ties which bind the Empire together.

I trust I may be pardoned for presenting the subject as it strikes a Canadian. However ungracious the task, I am impelled by a sense of duty to seek the earliest opportunity earnestly to point out that in my humble judgment it would be an error of grave magnitude, equally in the interests of the Mother Country, Australia, and Canada, to give effect to the proposal now under the consideration of the Government.

I have, &c.

(Signed) SANDFORD FLEMING.

No. 43.

THE HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.

(Received July 4, 1890.)

[*Answered by No.* 45.]

Hotel de l'Europe, Brussels,

SIR, July 1, 1890.

I AM instructed to express the great regret with which the Government of Canada has learned that it is proposed to secure a reduction in the cost of telegraphic communication between England and Australasia, by a guarantee to the existing lines of cable by the Governments of England and Australasia.

It will be remembered that the importance of securing this object by an alternative line wholly on British territory and under the British flag engaged the attention of the Colonial Conference held in London in 1887, and that Her Majesty's Government, in response to an unanimous resolution passed by that Conference, is now engaged in making a survey for the cable, and it is confidently believed that the amount of subsidy now required to secure the proposed reduction in the cost of sending messages by the present lines will be sufficient to ensure the proposed alternative line, *viâ* Canada, with at least an equal reduction in the cost of cabling.

Under these circumstances the Government of Canada venture to hope that Her Majesty's Government will hesitate to provide the assistance required by this counter project, and thus postpone for many years, if it does not altogether destroy, the realization of a proposal calculated to subserve interests so important to England, Australasia, and Canada, by providing an additional and safer route of inter-communication between them.

I may add that I have been favoured by the perusal of a letter upon this subject, addressed to Lord Knutsford by Mr. Sandford Fleming, who was one of the representatives of Canada at the Colonial Conference before referred to, and feel assured that my Government will heartily concur in the views therein contained.

May I ask you to move the Secretary of State for the Colonies to invite the attention of Her Majesty's Government to this subject at his earliest convenience, and oblige,

Your obedient servant,

(Signed) CHARLES TUPPER.

No. 44.

COLONIAL OFFICE to SANDFORD FLEMING, Esq.

Sir, Downing Street, July 7, 1890.

I am directed by Lord Knutsford to acknowledge the receipt of your letter of the 26th ultimo,* in which you draw attention to the evils which you consider would accrue if Her Majesty's Government should entertain the proposal to join the Australian Colonies in sharing the payment of the present cable subsidy, and in a guarantee to the Eastern and Eastern Extension Telegraph Companies in consideration of the reduction in the telegraph rates.

In thanking you for your observations, which have been laid before the Lords Commissioners of the Treasury, I am desired to refer you to the answer given by Mr. Jackson to Sir G. Baden Powell, in the House of Commons on the 12th ultimo, in connexion with this proposal.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 45.

COLONIAL OFFICE to the HIGH COMMISSIONER FOR CANADA.

Sir, Downing Street, July 9, 1890.

In reply to your letter of the 1st instant,† I am directed by Lord Knutsford to acquaint you that, as you will see on referring to the reply given by the Secretary to the Treasury to Sir G. Baden Powell's question in the House of Commons on the 12th of June, Her Majesty's Government have felt themselves precluded by considerations of principle from joining in the proposed guarantee to the Eastern Telegraph Companies in connexion with the proposed reduction of telegraphic rates between Australia and England.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 46.

SANDFORD FLEMING, Esq., to COLONIAL OFFICE.

(Received July 30, 1890.)

[*Answered by No.* 47.]

Victoria Chambers, 17, Victoria Street,
Sir, London, S.W., July 28, 1890.

Referring to the letters which have passed on the subject of telegraphy between England and Australia, I have the honour to enclose, for the information of Lord Knutsford, further correspondence and documents as follows, viz. :—

1. Letter from Sir John Pender to Sandford Fleming, July 22nd.
2. Reply to Sir John Pender, July 24th.
3. Newspaper extract, July 24th ("Pall Mall Gazette," July 24, 1890).‡

I have, &c.
(Signed) SANDFORD FLEMING.

Enclosure 1 in No. 46.

The Eastern Extension, Australasia, and China
Telegraph Company, Limited,
50, Old Broad Street, E.C.,
July 22, 1890.

Dear Mr. Sandford Fleming,

I have read your circular letter of the 16th instant, together with the annexed correspondence with the Colonial Office, on the subject of the recent unfortunate interruption of telegraphic communication with the Australian Colonies, and the establishment

* No. 42. † No. 43. ‡ Not printed.

of an alternative route *viâ* the Pacific, and if the various Governments interested are determined to have a line across the Pacific, and are prepared to incur the requisite expenditure for the purpose, I am quite ready, as I have always told you, to co-operate in carrying out the work on fair and reasonable terms, and in this way the object might be attained more easily and economically than if third parties were employed. But if it should be decided to establish a Pacific communication as a separate and distinct undertaking from the existing lines, it must not be forgotten that two cables across the Pacific will be required, which, according to your own figures, would cost 3,600,000*l.*, or 108,000*l.* per annum, as one line could no more be relied upon in the Pacific than in the Java seas, where all our three cables between Java and Australia were suddenly and simultaneously interrupted by earthquake a few days ago.

Fortunately, however, this is a very rare occurrence, only one previous interruption of the kind having occurred on our system during a period of over 20 years. Moreover, the Java seas are mostly shallow, so that repairs can be easily and promptly made, as in the present instance, while the Pacific Ocean is not only subject, perhaps in a greater degree than the Java waters, to volcanic disturbances, but the depths are so great that repairs would be most difficult and costly when an interruption occurred.

The cost of maintaining the present system amounts to over 100,000*l.* per annum.

I am looking forward, if spared, to visiting Hong Kong next year, travelling through Canada by the Canadian Pacific line, when I hope to inspect that wonderful undertaking in which you have played such a prominent part, and at the same time discuss with you the best means of establishing closer telegraphic communication between Canada and the Australasian Colonies when the time is ripe for carrying out the work.

Faithfully yours,
(Signed) JOHN PENDER.

P.S.—Your letter to Lord Knutsford ignores the fact that there is at present an alternative line to India, *viâ* the West and East coasts of Africa, quite independent of the Red Sea route.

Enclosure 2 in No. 46.

17, Victoria Street, London, S.W.,
July 24, 1890.

DEAR SIR JOHN,

I RECEIVED late last evening your favour of the 22nd, and desire to thank you for it. I am very glad to find you are coming to realize that it is absolutely necessary to have an alternative cable to Australia by way of Canada and the Pacific. I have always held, and I now hold, that the means taken to establish the new telegraphic connexion is entirely secondary, provided that the new line be assured. Its establishment, by whatever means, is the primary consideration, and it is for the Governments concerned to decide how it is to be done. In my humble judgment, if they consult economy and desire to secure cheap telegraphy, they will act wisely in making the work a public undertaking, and in retaining it in their own hands under an efficient management.

I notice what you say about having two cables across the Pacific on account of possible interruptions, but it seems to me this conclusion on your part is scarcely logical, if, as you say, interruptions are so exceedingly rare. A breakdown once in 20 years would not in itself justify the laying of a second cable at a cost—an additional cost—of 1,800,000*l.*

Are you, however, quite accurate? Is it the case that interruptions on your cable are so infrequent? I have a list before me, by which it would appear that the Eastern Extension cables between India and Australia have broken down 36 times within the last 18 years, and of these 14 breaks were between Port Darwin and Banjoewangie, the nearest section to Australia. I notice also that one of the 14 breakdowns referred to caused an interruption of four months, and another of three months and a half. The other interruptions were generally for much shorter periods. It is quite true that you may have more than one cable on that section, but I do not see that duplicating, even triplicating, the cables on the same route is an absolute security from interruption, as shown by the simultaneous breaking down of all three cables for a period of ten days during the present month.

Be that as it may, my contention is simply that a line from Australia to England by way of Canada would be a great advantage all round. That to Australia and New Zealand it would be better than relying wholly on the one existing route. To these Colonies it would give two strings to their bow, and that is commonly held to be an advantage. You say that under certain circumstances two cables across the Pacific will

be required. In this I am not disposed to disagree with you, as I believe that more than two will eventually be required, but let us have one at a time, and the sooner we get that one the better. In after years other cables can be laid as they are required to meet the demands of a wonderful development of commerce, which I am satisfied will come in the not distant future.

You suggest that repairs in the deep water of the Pacific would be most difficult and costly. Let me remind you of the fact established by experience on the line between Lisbon and Pernambuco, passing through water about the same depth as the Pacific, that no repairs of any consequence have been found necessary in the deep water section of that line.

Referring to the postscript of your letter, there is indeed a cable laid round the West and East coasts of Africa, connecting England with Aden in that way, but that line of cable passes through ten foreign ports, beginning with Lisbon and ending with Mozambique. You are aware, too, the existence of that line did not obviate the necessity as recently as the month of May last, of sending Australian messages through Russia, Siberia, China, and French Cochin China, when two of your cables east of Aden broke down. I still think I was strictly correct in the statement to Lord Knutsford respecting the proposed Pacific cable. "It will indirectly give a new means of communication with "India, should the lines through Europe and the Red Sea become, through war or other "causes, unusable."

Receive my thanks for your friendly letter, and for the evidence it conveys to my mind that you are prepared to accept the conviction that Canada and Australia must be connected telegraphically. In this you merely evince your usual wise discernment, and few men have it in their power in a larger degree than you to hasten the advancement of a public undertaking fraught with so many advantages to the Colonies and the Empire.

Sir John Pender,
50, Old Broad Street,
London, E.C.

Yours faithfully,
(Signed) SANDFORD FLEMING.

No. 47.

COLONIAL OFFICE to SANDFORD FLEMING, Esq.

SIR, Downing Street, August 7, 1890.

I AM directed by Lord Knutsford to acknowledge, with thanks, the receipt of your letter of the 28th ultimo,* forwarding copy of correspondence which has passed between Sir John Pender and yourself respecting the proposal to establish direct cable communication between Canada and Australia.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 48.

THE ASSOCIATION OF CHAMBERS OF COMMERCE of the UNITED KINGDOM to COLONIAL OFFICE.

(Received October 26, 1892.)

[*Answered by No.* 49.]

TELEGRAPHIC COMMUNICATION THROUGHOUT THE EMPIRE.

Association of Chambers of Commerce of the
United Kingdom,
1, Great College Street, Westminster, S.W.,
October 25, 1892.

MY LORD,

AT the recent autumnal meeting of this Association, held at Newport, it was unanimously resolved:—

"That, in the opinion of this Association, the extension of direct telegraphic communication between the component parts of the British Empire will facilitate defence, promote trade and investments, emphasize community of interests, and generally stimulate the development and consolidation of the Empire."

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* No. 46.

On military and naval grounds, the desirability of having means of communication which lie entirely within the bounds of British territory is so obvious as to need no discussion. Commercial men recognise that effective defence must operate to their benefit under certain circumstances. They consider that the establishment of direct telegraphic communication over British territory will not only be serviceable in times of peace, but in times of alarm will reduce the risks to which their property on the high seas would otherwise be exposed, and high charges for insurance.

In the opinion of the Executive Council of this Association there appears to be one instance in which a movement could now be made with advantage, and that is in the establishment of Pacific Cable connecting the United Kingdom with the East and Australia, with reference to which the Colonial Conference of 1887 unanimously expressed these opinions :—

"1st. That the connexion recently formed through Canada from the Atlantic to the Pacific by railway and telegraph opens a new alternative line of Imperial communication over the high seas and through British possessions, which promises to be of great value alike in naval, military, commercial, and political aspects.

"2nd. That the connexion of Canada with Australia by direct submarine telegraph across the Pacific is a project of high importance to the Empire, and every doubt as to its practicability should, without delay, be set at rest by a thorough and exhaustive survey."

It is understood that the Admiralty made a nautical survey to test the practicability of the route, and that the results were satisfactory. The five possible lines of communication with the East and Australia at present existing have all the fatal defect of passing through possibly hostile countries, where they would be useless to us in time of war, or through shallow seas where the cables could be easily fished up and destroyed. With the establishment of uninterrupted communication across the Dominion, an alternative route is now made feasible by the laying of a Pacific cable, which would remove this defect.

It has been frequently stated that the Dominion of Canada, which has already rendered a great service to the Empire by building the Canadian Pacific Railway, is prepared to co-operate in a practical degree with Her Majesty's Government in supporting an undertaking of this character.

The Executive Council of this Association therefore hope that you will favourably consider the question, and recommend Her Majesty's Government to assist a project of such great importance, both for Imperial and commercial purposes.

I have, &c.

(Signed) JAMES HOLE.

No. 49.

COLONIAL OFFICE to JAMES HOLE, Esq.

Sir, Downing Street, November 15, 1892.

I am directed by the Marquess of Ripon to acknowledge the receipt of your letter of the 25th ultimo,* conveying a Resolution passed by the Association of Chambers of Commerce of the United Kingdom, with reference to the extension of the facilities for telegraphic communication between different parts of the British Empire.

Your letter refers in particular to the desirability of laying a cable which would connect Canada and Australia without passing through any foreign territory.

I am to state in reply that Her Majesty's Government are fully alive to the importance of the subject, and would gladly see an arrangement arrived at which would complete telegraphic communication between Canada and Australia by concerted action between the Colonies concerned.

One primary difficulty in the matter is that, if the proposed cable were laid along any of the routes most advantageous from the commercial point of view, it would be subject to the disadvantage, specially deprecated by your Association, of passing through foreign territory. Thus the proposal, to which you refer, of the Canadian Government, was for a cable from Vancouver to the Sandwich Islands; and Her Majesty's late

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* No. 48.

Government were invited to assist that scheme, although the completion of the cable to Australia (a much longer distance, about 3,970 miles as against 2,350) was not provided for and would have been left extremely uncertain.

Another scheme which, it is understood, is being considered in Canada is for a line which would run near the Asiatic coast, touching at the Aleutian Islands, Japan, and Hong Kong.

On the other hand, a cable running direct from Vancouver to some point in the Australasian Colonies, which is what your Association desires, would cover about 4,000 miles without touching at any intermediate station of even the slightest commercial importance (*i.e.*, say from Vancouver to Samoa), and could only be constructed at a great expense, as at least one of the stretches (from Vancouver to, say, Fanning Island) would be of enormous length.

About three years ago it was proposed that a conference should be held of delegates from Canada and the Australasian Colonies to consider the question, but the proposal fell through, owing, doubtless, to the inherent difficulties attaching to the enterprise, and there does not seem to be any indication that, having regard to the magnitude and corresponding cost of the enterprise, the project could be at present revived with any prospect of success.

I am, &c.
(Signed) EDWARD FAIRFIELD.

No. 50.

LORD STANLEY OF PRESTON (CANADA) to the MARQUESS OF RIPON.

(Received January 31, 1893.)

[*Answered by No.* 51.]

MY LORD, Government House, Ottawa, January 9, 1893.

I HAVE the honour to forward herewith, for such action as your Lordship may think fit, a copy of an approved report of the Privy Council submitting correspondence from the Board of Trade of the City of Ottawa advocating the appointment of a Special Commission to enquire into the most feasible means of completing the telegraphic system of the Empire.

Your Lordship will observe that the Government express the satisfaction with which they would view the appointment of such a Commission by Her Majesty's Government, and offer to send a delegate and to bear his expenses.

I have &c.
(Signed) STANLEY OF PRESTON.

Enclosure in No. 50.

CERTIFIED COPY of a Report of a Committee of the Honourable the PRIVY COUNCIL, approved by His Excellency the GOVERNOR GENERAL IN COUNCIL, on the 26th December, 1892.

On a report dated 19th of December, 1892, from the Secretary of State, submitting the accompanying papers respecting a resolution passed by the Board of Trade of the City of Ottawa, and communicated to him by a deputation from the said Board, pointing out the advantages which would result from the appointment by the Home and Colonial Governments of a special Commission to enquire into the most feasible means of completing the telegraphic system of the Empire.

The Secretary of State states that he fully recognises the importance of the subject, and the cogency of the arguments advanced by the gentlemen composing the deputation, and also by Mr. Sandford Fleming, C.M.G., in a letter* addressed by him to the President of the Second Congress of Chambers of Commerce and Boards of Trade of the Empire, 1892.

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* Not printed.

The Committee advise that your Excellency be moved to forward copies hereof to the Right Honourable the Secretary of State for the Colonies, with an intimation that the Canadian Government would view with satisfaction the appointment of a Commission as proposed, and would gladly send, and bear the expenses of, a delegate to act upon such Commission.

All which is respectfully submitted for your Excellency's approval.

(Signed) JOHN J. McGEE,
Clerk of the Privy Council.

Ottawa Board of Trade, Ottawa,
December 12, 1892.

DEAR SIR,

I BEG to enclose herewith a copy of a resolution passed by the Board of Trade, and two copies of Mr. Sandford Fleming's letter to Sir John Lubbock, Chairman of the Chamber of Commerce, London, England. I take the liberty further of enclosing a copy of a letter prepared and signed by the Committee appointed to present the resolution, they being at the time unable to gain an interview with Honourable Mr. Patterson.

The papers were addressed to him in person and duly forwarded, but were returned to me a few days later with the information from Mr. Patterson that, up to the time of his vacating the Department of State, he had been so pressed with other important business that now, he being no longer Secretary of State, the papers must be sent to the honourable gentleman occupying the position. I make this explanation in order that I may beg that you will kindly accept the accompanying letter herewith and act upon it, although addressed to Mr. Patterson in person, and that you will, at your convenience, grant an interview to the Committee that they may explain more fully if desirable the intention of the resolution and accompanying letters.

I beg further to say that I have this morning received from Mr. Fleming a note, in which he states that "he has been called to Montreal to-day, and cannot return before to-morrow, and that on Thursday of this week he is obliged to go to Toronto," so that if Wednesday would suit your convenience it would give Mr. Fleming the opportunity of being present.

I will be pleased to receive your instructions so that I may communicate them to the members of the Committee in due time.

I am, &c.
(Signed) N. S. GARLAND
Secretary.

Hon. John Costigan,
Secretary of State for Canada,
Ottawa, Canada.

THE OTTAWA BOARD OF TRADE.

Resolution passed by the Ottawa Board of Trade, November 22, 1892.

Resolved,—That the Ottawa Board of Trade is deeply impressed with the national importance of establishing a complete system of direct telegraphic connexion between all the great divisions of the Empire in both hemispheres, and is strongly of the opinion that, as an essential first step, an authoritative inquiry should, without delay, be instituted.

That this Board is of opinion that the inquiry could be made in the most effective manner by a Commission specially appointed to make full investigation, and to report on the best means of bringing within the freest telegraphic circuit all British communities around the globe.

That in view of the Imperial importance of the subject, and the position occupied by Canada as an integral part of the Empire, it is obviously expedient that the Canadian Government should co-operate in the investigation with the Home Government.

That a deputation from this Board be appointed to submit this resolution to the Secretary of State for Canada respectfully requesting him to bring the subject to the attention of Her Majesty's Government.

(Signed) WM. SCOTT, Vice-President.
N. S. GARLAND, Secretary.

(Seal.)
Ottawa, Canada, November 24, 1892.

Ottawa Board of Trade, Ottawa,
November 23, 1892.

SIR,

WE have the honour to inform you that the Ottawa Board of Trade at its sitting yesterday appointed us a deputation to wait upon you to submit a resolution passed by the Board pointing out the advantages which would result from the appointment by the Home and Colonial Governments of a Special Commission to inquire into the most feasible means of completing the telegraphic system of the Empire.

The question of an Imperial telegraphic system has been dwelt upon in the report which has just been presented to the Board by the delegate which they sent to the Congress of the Chambers of Commerce of the British Empire held last summer in London. Its great importance is further set forth in a letter addressed by our delegate to the President of the Congress, a copy of which we beg leave to enclose for your information.

On behalf of the Board we have the honour respectfully to request that you will bring the subject to the attention of Her Majesty's Government.

We have, &c.,
(Signed) WM. SCOTT, Vice-President.
CHARLES MAGEE.
F. McDOUGAL.

The Honourable J. C. Patterson,
Secretary of State for Canada.

No. 51.

THE MARQUESS OF RIPON to LORD STANLEY OF PRESTON (CANADA).

MY LORD,

Downing Street, March 22, 1893.

I HAVE the honour to acknowledge the receipt of your Despatch of the 9th of January,* forwarding an approved Minute of your Privy Council, submitting correspondence from the Board of Trade of the City of Ottawa, advocating the appointment of a Special Commission to inquire into the most feasible means of completing the telegraphic system of the Empire.

Her Majesty's Government take a great interest in this matter, and would welcome any proposal which would afford a practical solution of a question which is of considerable importance to the Empire from a strategical point of view.

They cannot, however, overlook the fact that the enormous lengths between the individual landing places of a cable touching only British territory, the unusually great depths which soundings near the proposed route reveal, and the probability of sudden inequalities of the bottom, would render the cost of such an undertaking almost prohibitive, and would render the working and maintenance of the line very difficult

A cable from Vancouver to New Zealand would be 5,940 miles long, and composed of four sections only, one of which, that from Vancouver to Fanning or Washington Island, would be of the enormous span of 3,220 miles.

It is now recognised that in order to minimize the effects of breakdowns on a submarine cable the individual lengths between the landing places should be as short as possible, in order that the time lost by bridging over by a steamer, until the repairs can be made good, should be reduced to a minimum. Now the proposed line would not only be made up, as I have shown, of the longest span of submarine cable known, but the state of trade at the calling places is such as to afford no intermediate traffic, nor are there to be found steamers available for temporary service in case of a messenger vessel being required.

The financial depression unfortunately existing in the Australian Colonies, moreover, renders the present a very unfavourable moment for bringing before them a proposal which would involve them in heavy pecuniary liabilities for an object which it would be impossible to expect would be remunerative within a reasonable period.

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* No. 50.

A further difficulty is placed in the way of such a cable by the projected line connecting Vancouver with Japan, referred to in your Despatch of the 10th of August last,* which would compete with the direct cable for a considerable portion of the most lucrative traffic; and, as you are no doubt aware, arrangements have been made for laying a cable from Queensland to New Caledonia, which has been represented as the first link in a cable connecting Australia and Canada, but which would be valueless to the Empire for strategic purposes, passing, as it would, through foreign territory.

Her Majesty's Government fear that by these enterprises the question has to a large extent been prejudged, as there is no prospect of such a traffic arising within any reasonable period of time as would justify the construction of two lines competing with each other and with the existing lines.

Her Majesty's Government regret, therefore, that in the present circumstances they think that it would not be advisable to take steps for summoning a conference such as is suggested by the Ottawa Board of Trade.

I have, &c.
(Signed) RIPON.

No. 52.

COLONIAL OFFICE to ADMIRALTY.

[*Answered by No.* 53.]

EXTRACT. Downing Street, March 22, 1893.

In your letter of the 4th of April 1888,† it was stated that H.M.S. "Egeria," had "orders to obtain deep soundings which will in two or three years furnish more detailed "information than now exists as to the varieties of depths to be expected on the "general line of cable."

The Marquess of Ripon would be glad to be furnished with any information available as to the result of the work of the "Egeria," as bearing on this question.

No. 53.

ADMIRALTY to COLONIAL OFFICE.

(Received April 1, 1893.)

SIR, Admiralty, March 30, 1893.

IN reply to your letter of the 22nd instant,‡ requesting to be supplied with any information available as to the result of the work performed by H.M.S. "Egeria," in connexion with proposed route for a cable from British Columbia to Australia, I am commanded by my Lords Commissioners of the Admiralty to request that you will inform the Secretary of State that press of circumstances compelled them to remove the "Egeria" in the year 1890 from the work of surveying in the Central Pacific, and that, in consequence, as much progress in gaining knowledge of the depths that might be followed by a cable as was at one time hoped for has not been accomplished. Lines of soundings, however, were carried by the "Egeria" from New Zealand to the north-eastward as far as the Phœnix Islands, and these show that the route between New Zealand and Fiji would be a good one, as the depths are fairly even, and not excessive. From the north-east of Fiji to the Phœnix Islands there are abundant signs of uneven bottom, some depths being great. To the north-east of the Phœnix Group no soundings have yet been taken on the line to Fanning Island, or to one of the neighbouring islands which would probably be used; but it may be assumed with a fair degree of certainty that depths of over three miles exist along that route. The line from New Zealand, by Tonga and Samoa, does not appear promising, as there are very great depths occurring in parts, with many indications of inequalities.

A chart containing the soundings obtained by H.M.S. "Egeria" is attached for information.

I am, &c.
(Signed) H. J. VANSITTART NEALE,
pro Sec.

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* Not printed. † No. 18. ‡ No. 52.

No. 54.

THE MARQUESS OF RIPON to the EARL OF DERBY (CANADA).

MY LORD, Downing Street, April 29, 1893.

WITH reference to my Despatch of the 22nd of March,* respecting the question of a Pacific cable connecting Canada and Australia, I have the honour to transmit to you, for the information of your Ministers, a copy of a letter† from the Admiralty stating the results of the partial survey of a part of the route of the proposed cable by H.M.S. "Egeria."

I have, &c.
(Signed) RIPON.

No. 55.

ACTING GOVERNOR MADDEN (VICTORIA) to the MARQUESS OF RIPON.

(Received June 13, 1893.)

[*Answered by No.* 59.]

Government House, Melbourne,
MY LORD, May 8, 1893.

I HAVE the honour to transmit to your Lordship a copy of a memorandum from the Premier of this Colony enclosing a copy of a correspondence which has taken place with the other Australasian Colonies upon the question of cable communication with England *viâ* the Pacific Ocean.

Your Lordship will observe therefrom that the Governments of New South Wales and Queensland have, independently of the other Colonies, entered into a contract for a cable from Queensland to New Caledonia, with a view ultimately of an extension to America and thence to England. Mr. Patterson strongly objects to this cable forming any part of the main cable between Australia and America, as it will unnecessarily pass through foreign territory, and is anxious that the Imperial Government may be assured that this Colony is free from any responsibility in the matter.

I have, &c.
(Signed) JOHN MADDEN.

Enclosure in No. 55.

MEMORANDUM for His Excellency the ADMINISTRATOR OF THE GOVERNMENT.

Premier's Department, Melbourne,
May 8, 1893.

Mr. Patterson presents his duty to your Excellency, and desires to acquaint the Imperial authorities, through your Excellency, that this Government has been in correspondence with the other Australasian Governments on the question of cable communication with England *viâ* the Pacific Ocean.

2. It will be remembered that this matter formed a subject of discussion at the London Colonial Conference of 1887, when strong opinions were expressed in favour of the idea that any second cable to Europe should pass exclusively through British territory, or as much so as possible. Mr. Patterson would invite attention to the remarks of Mr. Sandford Fleming, at pages 212–3 of the Colonial Conference proceedings, Mr. Fleming's sentiments being cordially echoed by the representatives generally, including those of Queensland and New South Wales.

3. It is found, however, that the Governments of New South Wales and Queensland have, independently of the other Australasian Colonies, entered into a contract for a cable from Queensland to New Caledonia, and while, if this were all, the other colonies would have no ground for expressing an opinion on the matter, yet, as this cable is contracted for avowedly with a view to an extension, by the aid of the other colonies, to America, and thence to England, this Government felt called upon to address the two Governments concerned in a spirit of friendly remonstrance, both as to the matter having been undertaken without conference with the other colonies, and as to a departure from

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* No. 51. † No. 53.

the principle, so much insisted upon at the Colonial Conference, of carrying any second cable as much as possible through British territory.

4. A copy is enclosed herewith of the letter* addressed to New South Wales and Queensland, and also of the New South Wales Parliamentary Paper,† giving particulars of the projected cable; and Mr. Patterson now desires that the Imperial authorities may be apprised that this Government is entirely free from responsibility for this new cable, and does not view with favour any scheme which will involve a second cable passing, quite unnecessarily, through foreign territory.

5. The inconvenience, loss, and indeed danger, which might arise in time of war from the Australian cable passing through New Caledonia, instead of New Zealand or Fiji, scarcely requires explanation, and Mr. Patterson desires now to notify the Imperial Government, that the Government of this Colony entertains a strong objection to this cable as a part of a main cable from Australia to America.

J. B. Patterson,
Premier.

Premier's Department, Melbourne,
May 8, 1893.

Sir,

I have delayed replying to your letter of the 14th March,‡ respecting the telegraph cable to New Caledonia, until I could obtain a perusal of the Report of the proceedings of the recent Postal Conference at Brisbane.

2. In now resuming the correspondence, which I desire to do in the most friendly spirit, I would reiterate the sentiment expressed in Mr. Shiel's letter of 17th November, that this Government would be far indeed from intervening in the matter if its own interests were not affected; that is to say, if this cable were simply and solely one to New Caledonia, the other Colonies would have no just grounds for comment. It seems, however, from a reading of the published documents, impossible to regard it in that light. The whole of the preliminary correspondence, and the formal agreement with the French Company treat it as the first section of a main cable to America; and that not necessarily even British America. The third clause of the Agreement says:—

"3. The said cable shall form part of the main Pacific cable connecting Queensland with Vancouver, San Francisco, or other such places in North America as may hereafter be determined."

The situation then is, that the Colonies which are parties to such an agreement are bound to make this cable to New Caledonia a part of any future main Pacific cable; and the consequence is that the other Colonies must either accept, under a species of compulsion, the New Caledonia cable as the first section of the main one; or else, in the event of their deciding on another than the New Caledonian route, they must be without the co-operation of your Colony and that of Queensland.§ Of course this cannot be entertained; and hence it follows that in this really national work the important question of route has been decided on behalf of the other Colonies without their being consulted.

3. I would remind you of the prominent place which, in the discussions of the Colonial Conference, was given to the principle of any second cable being laid through British territory, or as much so as possible. Mr. Sandford Fleming said (pp. 212–213 of proceedings):—

"It is only necessary to look at a telegraph map of the world to see how dependent on foreign powers Great Britain is, at this moment, for the security of its telegraphic communication with Asia, Australasia, and with Africa; in fact, it may be said that the telegraphic communication between the Home Government and every important division of the Empire, except Canada, is dependent on the friendship (shall I say the protection?) of Turkey. Is not Turkey continually exposed to imminent danger from within? Is she not in danger of falling a prey to covetous neighbours, whose friendship towards Great Britain may be doubted? . . . . . The Ottoman Government, on which we depend for communication with India, and Australia, and the Cape Colonies appears continually exposed to impending disaster. . . . . From Vancouver

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* Dated 8th May 1893.

† Submarine cable between Australia and Vancouver *viâ* New Caledonia, c. 16 (New South Wales Legislative Council Paper.)

‡ To Queensland "8th December."

§ To Queensland "New South Wales."

cables may be laid to Australasia by way of Hawaii, or they may be laid from one British island to another, and thus bring New Zealand and all the Australian Colonies directly into telegraphic connexion with Great Britain without passing over any soil which is not British, and by passing only through seas as remote as possible from any difficulties which may arise in Europe."

The representatives of New South Wales and Queensland cordially supported the principle as well as the representatives of the other Colonies. *See* the speeches of Sir Saul Samuel and Sir Patrick Jennings. Sir Samuel Griffith deprecated as a duplicate cable one which should run "*through foreign territories or through seas continually full of the ships of foreign countries*" (p. 224), and he said (p. 224):—

"We are now considering the matter from a National and Imperial point of view, and all we can do now is to consider whether it would be desirable to have such a duplicate line of cable *between all the British possessions* as would be secured if Mr. Sandford Fleming's proposition were carried out. . . . . For my own part I have no hesitation in expressing my warmest sympathy in the movement."

4. From this it will be apparent how much the matter affects, not only the whole of Australasia, but other Colonies, and indeed the Empire at large; and you will, I feel sure, pardon my expressing regret that the essential question of route should, without the other Colonies being consulted, have been predetermined, as from the published documents I fear that it has been.

5. If it can be shown that, despite the printed correspondence and the contract, Queensland and New South Wales as well as the other Australasian Colonies are still free to contract for a main cable otherwise than through New Caledonia, I shall indeed be glad; but, in the meanwhile, I feel it due to the interests of this Colony to notify the Imperial Government and the Government of Canada that this Colony is free from responsibility for the New Caledonian Cable, and entertains a strong objection to it as a part of a main cable to America.

I have, &c.

The Hon. the Chief Secretary, Sydney.
The Premier, Brisbane.

(Signed) J. B. Patterson,
Premier.

(*In the letter to Queensland the following paragraph was added*):—

6. Before concluding, I would invite your attention to what appears to be a discrepancy between the statements made in the Brisbane Conference and the published documents. The Honourable Mr. Numack says (page 6 of the Report):—

"We have been charged with granting the exclusive right of landing a cable in our territory to a foreign company. Nothing could be more void of truth than such a statement. We have certainly made an agreement with this company allowing them to land a cable on Queensland shores, but we are not precluded from allowing 50 other companies a similar privilege."

But in the Bill laid before the French Chamber of Deputies it is stated that—

"This Company" (Société Française des Telégraphes Sous-Marins) "has succeeded in obtaining the exclusive landing right for Queensland as well as the financial assistance of that Government, and of that of New South Wales."

And the Convention for the establishment and working of the cable in question forming part of the Bill laid before the French Chamber contains the following:—

"Article 2. The Société Française des Télégraphes Sous-Marins, which possesses the landing rights for the territory of the Queensland Government, undertakes to lay the cable and to have it open for working by the 22nd September 1893, and to maintain it during the whole term of the concession."

It would seem from this that either the Government of France or that of Queensland is under a thorough misapprehension on this point.

No. 56.

ACTING GOVERNOR DOBSON (TASMANIA) to the MARQUESS OF RIPON.
(Received July 3, 1893.)

[*Answered by No.* 57.]

Government House, Hobart,
MY LORD, May 27, 1893.

AT the request of Mr. Audley Coote, who is a member of the Legislative Council of this Colony, I have the honour to transmit to your Lordship the enclosed document on the subject of the "Pacific Cable."

I have, &c.
(Signed) W. L. DOBSON.

Enclosure in No. 56.

"*Re* PACIFIC CABLE."

SIR, Hobart, May 13, 1893.

I HAVE the honour to bring under your notice a few facts in reference to a paragraph that has appeared in our newspapers, which states that the Premier of Victoria has sent a circular letter to the Imperial Government, the Canadian and Australian Governments, protesting against the action of New South Wales and Queensland, in entering into a contract for the construction of the cable to New Caledonia.

As the advisory representative in Australasia and the Pacific of the "Société Telegraphique" will you please let me refer you to the speech of the Chairman of the Postal and Telegraph Conference held in Brisbane in March last, also my letter to the Conference, both of which will form part of the proceedings of the Conference that will reach you in due course, copies of which I enclose.

The aim has been for the last 19 years to break a growing and ungenerous monopoly in the telegraph world, and, now that we have so far succeeded, the secret allies of the Eastern Extension Telegraph Company are agitating in the press, and the minds of public men, in some parts of Australia, to try and prevent the Pacific Cable being a success; it is not because the cable touches at New Caledonia, it is because it is opposing the Eastern Extension Telegraph Company.

The Honourable James Service informed me a short time ago he would have a resolution passed through the Legislative Council in Victoria, asking that a circular letter should be sent to the Imperial, Canadian, and all Australian Governments, protesting against the cable now under review, and it is this circular letter I think you have received.

Again, New Zealand desires the Pacific Cable to start from her shores, but you will see, by my letter to the Conference, that Colony is bound hand-and-foot to the Eastern Extension Telegraph Company, and only last year the New Zealand Government, when much perplexed as to the rates over their cables, in fact, "in extremis," asked me to make them an offer to lay a cable and get them out of their difficulties with the Eastern Extension Telegraph Company; the offer was made, with a guarantee of half-rates, when the opposition company reduced their rates by one half and negotiations ceased.

Canada is exceedingly anxious to have the Pacific cable laid, and it is impossible to get through the Pacific Ocean with a cable without going outside the sphere of British influence. In the Atlantic there are nine cables—five English, two American, and two French. There is no trouble there about nationality of cable landing, besides, as you are well aware, there is a national compact entered into "by all the nations of the world" to protect as far as possible all submarine cables; this agreement, as you are aware, was signed in Paris in 1884, in which the name of every Australian colony appears; then again, if war was declared, Queensland would hold the key to the Pacific, and the rest of the world in that direction, for she could, if so desired, instantly disconnect the cable, so no possible harm can be done, but, on the contrary, an immense benefit will result to the whole of Australia.

Whilst on this subject, it will, I feel sure, interest you to know, that in the contract now under review, the Governments interested can send their messages free for 30 years.

Will you please read the enclosed copy of my letter that was laid on the table of the Conference, as it goes more into detail.

I have, &c.

To the Right Honourable . . . . . (Signed) Audley Coote.
The Secretary of State for the Colonies,
Downing Street, London, S.W.

P.S.—Enclosures :—
Copy, Chairman's speech at Conference.
„ Letter to the Conference.
„ Press paragraph, Tasmanian Government to Victorian Government.
„ Letter to Tasmanian Government.

My cable address is "Coote, Hobart."

The Cable to New Caledonia.

The Victorian Premier cabled the Tasmanian Government a few days ago, suggesting that it should join in a united protest against the action of New South Wales and Queensland in entering into an agreement with the French authorities in regard to the cable from Australia to New Caledonia. The Tasmanian Cabinet, having considered the question, has decided not to interfere in the matter at all, not considering that these colonies will be at all compromised by the decision that has been arrived at. As the Postmaster-General has already pointed out, there is, as yet, no arrangement to extend the cable beyond New Caledonia, and the only point in the agreement that could be in any way construed into such an arrangement is that it "may form part of the main cable as "may be herein-after agreed upon." There is nothing in this to commit anyone, and as the Chief Secretary (Mr. Douglas) will point out in his letter to Mr. Patterson, the Governments of New South Wales and Queensland have had ample warranty for the provision they have made for communication with these islands of the Pacific, not only on account of the large and ever increasing trade that has sprung up between their merchants and those of the New Hebrides, New Caledonia, and other islands, but also to enable them to get prompt information in regard to the escape of criminals, so that they may be watched for and arrested immediately they reach the mainland. For these reasons the Tasmanian Government sees no necessity for interfering with what those colonies have done, nor do ministers think the Victorian Cabinet needs issue a protest to the Imperial Government, as its interests are not affected, nor its future action hampered by what the sister Governments have legitimately done for their own benefit and protection.

Postal Conference held in Brisbane.

Third Sitting.

Important Speech by the Postmaster-General.

The Second Cable and Queensland's Position.

The Chairman said:—As no one else seems willing to handle this subject, I shall make a few remarks upon it.

I am very pleased indeed to see that the opinion which Queensland has entertained for the last 18 years or more, with reference to a Pacific cable, is being made the subject of serious discussion.

The motion before us is very broad, and is just such a one as I think ought to be adopted by the Conference, because it leaves the question of route entirely open, and none of us can say, at the present time, where such a cable should go.

At the same time there are circumstances which ought to be taken into consideration, and these I shall briefly touch upon, as the mover of the motion has indicated what route should, in his opinion, be adopted.

The Colonies of Queensland and New South Wales, which have, as you were informed at the last Conference held at Hobart, entered into a guarantee with a company for the

laying of a cable between New Caledonia and Queensland, have been found fault with by the Press for their action.

They have been accused of being selfish, of taking into their own hands matters which ought to have been considered by all the colonies conjointly, of binding themselves hard and fast to a foreign company, and of I do not know what other sins and crimes in connexion with the matter.

So far from receiving any blame from the other colonies, I think they ought to pass a vote of thanks to Queensland and New South Wales for having entered into negotiations which will open up traffic between New Caledonia and Australia, and for having done it at their own expense.

The proposal that was made to us involved the comparatively small guarantee of 2,000*l.* per annum from each colony, the Government of France contributing 8,000*l.* per annum towards the service.

If we had not accomplished anything more than the opening up of means of communication between New Caledonia and Australia, that in itself would be worthy of recognition.

All sorts of erroneous and misleading statements have been made in reference to the future cable extension through New Caledonia. I may say at once, without hesitation, that we have entered into no agreement which at all binds us to extend the cable through that particular company beyond New Caledonia.

We have certainly accepted the offer which was made to construct this cable, which was to form the first link of the cable to Vancouver; and the company bound themselves, if we adopted this, to proceed further with the matter, section by section, but we have not bound ourselves to contribute anything towards the rest.

We have simply said that we would contribute to the first section, and whenever the company was ready to make further proposals we said they would be entertained in a proper manner, not only by ourselves, but by the whole of the colonies, and by the other countries that are interested.

We told them, "If you manage to get up the guarantee you require, we shall be very "pleased to contribute our share, provided your proposals are reasonable."

Then again, we have been charged with granting the exclusive right of landing a cable in our territory to a foreign company.

Nothing can be more void of truth than such a statement. We have certainly made an agreement with this company, allowing them to land a cable on Queensland shores, but we are not precluded from allowing 50 other companies a similar privilege.

We are at liberty in that, as in every other, direction, and we shall be very pleased to join in any proposal that will give us a cable entirely independent of the present company.

That is the object we have had in view for the last 18 years or more, and, provided the terms are fairly reasonable, we are ready and willing to make sacrifice in order to get what we consider is an absolute requirement for the Australian Colonies.

A lot of extravagant remarks have been made about this "foreign" business, about the cable passing through "foreign" territory, and all that sort of thing. Where has our cable business been done hitherto? Has it gone exclusively through British territory? Why, from 1860 to 1875, the whole of the business was done through Java. Then the cable was laid from Port Darwin to Singapore, and our business has since been done along that line. But is the line, even now, all in British territory? Does it not pass through Egypt and through Persia; and, when the line is interrupted, do not our cablegrams go through Russia? Are not all these all foreign countries?

I may be allowed to quote what I said at Hobart last year.

On page 977 of the report, when speaking of the proposal to lay a Pacific Cable, and referring to the line to New Caledonia, which we had then in view, and which we have still in view, I said:—"But whatever route was adopted, the cable would have to pass "through some countries where the British Government was not supreme. The route "proposed for the Pacific Cable would pass first through New Caledonia, which was "a French possession, then Fiji, a British possession, then Samoa, which was under the "joint protectorate of Great Britain, America, and Germany, then to Honolulu, which "was under the joint protectorate of Great Britain, France, and America, and then the "Fanning Islands which were British."

That is the only route which can possibly be adopted if you want a Pacific Cable. You must go through foreign territory, and where is the harm in going through foreign territory? We have a treaty which protects us.

I also referred to this at Hobart when replying to the alleged danger of having our cable communication interrupted in the event of war.

I said "He did not think they need trouble themselves much about that question, "because, first of all, they had seen how territories frequently changed hands, and as "far back as 1884, they would find a treaty of all nations by which they bound themselves that all cables in time of war should be considered as neutral."

In passing I may say, that during the last week or so I noticed in one of the cables from England, that in the House of Commons the British Government were asked if they would make some arrangement for obtaining possession of New Caledonia, and there is a possibility in the air that New Caledonia may some day be got in exchange for some British possession, just as Heligoland was recently parted with, and as other places have been parted with. There is nothing to lead us to believe that New Caledonia is for ever to remain a French possession.

The International Treaty referred to is still in existence, and no matter where the cable goes, that treaty will protect it.

The present proposal, submitted by the honourable delegate for New Zealand, is to start from Queensland for some place in New Zealand, but let me point out this to you: I look upon the section to New Caledonia as an accomplished fact, because I am assured it will be laid by the 1st of August. The distance from New Caledonia to Fiji is 695 miles, while the distance from New Zealand to Fiji is 1,020 miles. Now there is no company in the world who will construct over 300 miles of cable, at an average cost of at least 300*l.* a mile, if they have nothing to gain by it.

In addition to this the Honourable Mr. Ward now proposes that a cable should be laid from New Zealand to Queensland, which is 1,400 miles, making in all 1,700 miles additional cable to be laid if we discard the section to New Caledonia. It is utterly unlikely that 1,700 miles of cable, at a cost of 300*l.* a mile, will be laid when it is not at all necessary.

The arrangement between New South Wales and Queensland and the Company is a bonâ fide one, and I am in a position to say that by the 1st of August the section will be completed to New Caledonia, so that that distance will not have to be laid again. Of course, if it is desired to lay a cable between Queensland and New Zealand, that is another matter; but no company is likely to be willing to proceed to Fiji by a route which would entail the laying of an additional 300 miles. Of course, the remainder of the proposed route would be exactly the same as has been advocated by this Company.

I ask you again to discard from your minds any fear that Queensland or New South Wales is anxious to bind the other colonies or to do any underhand work.

The object we have in view, and the object we have accomplished, has been to establish communication between New Caledonia and the colonies.

No one will deny that the commercial advantages of that enterprise are very great, especially to several of the other colonies who are not called upon to contribute at all towards the guarantee, but are to have the use of the cable at the ordinary rates. Therefore, if anything, I think we deserve the thanks of the different colonies for having undertaken that business ourselves.

I am in a position to say that the Honourable Audley Coote, who is now in Brisbane, is prepared, if necessary, to lay proposals before us for the immediate extension of that cable; I am not aware whether we are in a position to deal with the matter, but he has substantial guarantees from other countries for this extension. We want to have an absolutely independent cable, that is Queensland's notion whatever the other colonies may think.

We do not think that a monopoly should be enjoyed by one Company; we think it better to have two companies, independent of one another, so that if one cable is interrupted we can use the other. Besides, competition is the soul of business.

That is why I think an unwise thing has been done by the other colonies in continuing the guarantee to the present company.

If the suggestion I made at the Sydney Conference, when the agreement was made with the present company, had been adopted, you would have fared much better. My suggestion was, that instead of reducing the rate to 4*s.* you should make it 6*s.*, because you were deceiving the public by making them pay 4*s.* over the counter, and then paying another 2*s.* out of the Treasury. By fixing the low rate you prevented opposition, and absolutely played into the hands of the present company. If you had fixed the public rate at 6*s.* it would have been an inducement to another company to come forward, but now no other company could start unless they charged the same low rate as the present company, whilst the present company is getting additional money out of the Treasury all the same.

There has not been a fair chance for any company to start this Pacific Cable, but I am perfectly satisfied that this cable will be constructed, and I believe the negotiators of the present extension from New Caledonia are in a good position to carry it on.

We have never suggested that a French company or any other foreign company should construct the cable; that is a matter for consideration when the proposals are made.

We have merely bound ourselves to guarantee a cable from New Caledonia here; all the rest is as open to us as to the other colonies.

I shall have much pleasure in supporting the proposal of the Honourable Mr. Ward to the extent to which he has gone, because that is what Queensland has been striving for during the last 18 years.

Sir, Brisbane, March 21, 1893.

I notice in to-day's paper that a notice of motion has been tabled at the Postal Conference to consider the route of the Pacific Cable.

I have now the honour to refer to my last letter and telegram to you, in reference to what you brought under my notice in regard to a statement that had appeared in some of the newspapers referring to previous negotiations, the pith of which is as follows; viz.:—

That the New Caledonia Cable was to be laid by a French staff, on a French ship, and controlled by a French directorate in Paris.

This part of the statement is so far correct, but grossly exaggerated and misleading; that is to say, the directorate in Paris will control this first section of the proposed cable until the next section is laid, for they have been bound by the Governments of Queensland, New South Wales, and France to work and maintain the cables or the guarantee will cease, so they are bound to look after their own property and keep it in working order.

Then the statement goes on to say, "Queensland promises to give this foreign venture exclusive landing rights for 30 years." I need hardly say that this is the first time that I have heard of such a promise, and contradict it absolutely.

The aim of the company is to lay and maintain the Pacific Cable in a way that I will again explain.

Negotiations for crossing the Pacific with this cable are still pending, as they have been for many years, but success is now at hand in the near future.

Canada comes first, who have long been anxious to have this cable landed on their Pacific shores; that Government have long ago informed me they are willing to join in the guarantee, and are always ready to send two delegates to a conference, that is hoped will be held in Australia, to decide upon the terms of the guarantee.

Next, *en route*, comes Hawaii.

The Government have already passed an Act of Parliament giving, as their share, a subsidy of 5,000*l.* a year for 15 years as a contribution for their section of the cable, and have also promised to extend the time to 30 years as soon as the Main Pacific Cable is laid.

In regard to Hawaii, should anything arise such as a change of Government in that kingdom (which is not at all likely), I have been assured by both parties of the Government there will be nothing arise to prevent their assistance being faithfully carried out. Besides, that kingdom is under the protection of England, France, and America, so this subsidy has a threefold backing.

Thence it is proposed to land at Fanning Island, now just annexed by England, thence Samoa.

The assistance to be asked to the guarantee here will be Germany, America, and England, the proportion from each is yet to be decided.

Thence Fiji, which is virtually New South Wales, but the Imperial Government have long been asked by the local authorities, through their Governor, to assist in the guarantee.

Thence New Caledonia, thence Queensland. So the Pacific Cable, the moment it leaves New Caledonia, will be no more under the control of France than any other country or colony joining in the joint purse guarantee.

In regard to the route, if you will please look at the chart, it will be seen the route that is proposed is by far and away the best, and the one the cable is most likely to earn the guarantee on.

Besides, the whole aim of Australia is to obtain an independent and duplicate line.

It would be impossible to do so if the Pacific Cable were to go *viâ* New Zealand, as the cable between Australia and that colony is owned and controlled by the Eastern Extension Telegraph Company.

In fact, some of the Governments interested have always informed me they would not join in any guarantee without a promise was given that the Pacific Cable Company would not enter into any joint purse arrangement with any other Company, their aim being a complete and independent line.

In conclusion, will you please let me add the Company and capitalists I represent and am associated with cannot be held responsible for the various statements that find their way into the Press, as it is quite possible some of these statements may have been inspired by secret allies of some rival telegraph company.

I can only again give you this further assurance; the intention is, as it always has been, to continue on with this work, section by section, until the northern terminus is reached, and that it is impossible to get through the Pacific Ocean with a cable without touching at some place outside the sphere of British influence, and that all Governments interested and joining in this joint purse guarantee will, as I have always informed you, "stand on the same ground floor."

I may further add, the first section of this cable now under review, about 1,020 miles, is now being made, at the rate of about 17 miles a day, and I hope to have it laid in the first week in August next. I shall be glad if you will bring this letter under the notice of the Postal and Telegraph Conference now sitting. To guide you as to distances and to the lengths of cables in one stretch [that we do not fear, as they will be worked on the duplex system] the following are the distances in nautical miles, allowing 7 per cent. for slack :—

Sandy Cape, Queensland to Noumea	740 + 51 = 791
Noumea to Levuka, Fiji	740 + 51 = 791
Levuka, Fiji, to Apia, Samoa	640 + 45 = 685
Samoa to Hawaii, *viâ* Fanning Island, two stretches of cable	2,259 + 158 = 2,417
*Hawaii to Vancouver, about	2,500 + 175 = 2,675
Total	7,359

I have, &c.
(Signed) Audley Coote.

To the Hon. the Postmaster-General,
Brisbane, Queensland.

"*Re* Pacific Cable."

Sir, Hobart, May 13, 1893.

Will you please let me refer to a paragraph in yesterday's newspaper, which states that your Government have received a letter from the Premier of Victoria, protesting against the action of New South Wales and Queensland in entering into a contract for the construction of the cable to New Caledonia.

As the advisory representative in Australasia and the Pacific of the "Société Telegraphique," will you please let me place a few facts before you, as well as enclosing copy of my letter to the Chairman of the Postal and Telegraph Conference held in Brisbane in March last, also copy of the chairman's speech in reference to the cable and route; both my letter and the chairman's speech will form part of the proceedings of the conference that will reach you in due course.

The aim has been for the last 19 years to break a growing and ungenerous monopoly in the telegraph world, and, now that we have so far succeeded, the secret allies of the Eastern Extension Telegraph Company are agitating in the Press, and the minds of public men in some parts of Australia, to try and prevent the Pacific Cable being a success; it is not because the cable touches at New Caledonia, it is because it is opposing the Eastern Extension Telegraph Company.

The Honourable James Service informed me a short time ago he would have a resolution passed through the Legislative Council in Victoria, asking that a circular letter should be sent to the English-Canadian and all the Australian Governments, protesting against the cable now under review, and it is this circular letter I think you have received.

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* From Hawaii to San Francisco the distance is 2,160 miles.

Again, New Zealand desires the Pacific Cable to start from her shores, but you will see by my letter to the Conference that Colony is bound hand and foot to the Eastern Extension Telegraph Company, and only last year the New Zealand Government, when much perplexed as to rates over their cables, in fact "in extremis," asked me to make them an offer to lay a cable and to get them out of their difficulties with the Eastern Extension Telegraph Company; the offer was made with a guarantee of half rates, when the opposition company reduced their rates by one half and negotiations ceased.

It may interest you to know that the intention was to ask your Government to allow this New Zealand cable to be landed on the shores of Tasmania, with a branch cable to Twofold Bay, in New South Wales (as Tasmania, like New Zealand, is bound hand and foot by an "exclusive concession" to the Eastern Extension Telegraph Company) and the shores of Victoria; if this had been done Tasmania would now be benefited many thousand pounds a year.

Canada is exceedingly anxious to have the Pacific Cable laid, and it is impossible to get through the Pacific Ocean without going outside the sphere of British influence. In the Atlantic there are nine cables—five English, two American, and two French. There is no trouble there about nationality of cable landing; besides, there is a national compact entered into "by all the nations of the world" to protect as far as possible all submarine cables. This agreement was signed in Paris in 1884, in which the name of every Australian Colony appears; then again, if war was declared, Queensland would hold the key to the Pacific, and the rest of the world in that direction, for she could, if so desired, instantly disconnect the cable, so no possible harm can be done, but, on the contrary, an immense benefit will result to the whole of Australia.

Whilst on this subject it will, I feel sure, interest you to know, that, in the contract now under review, the interested Governments can send all their messages free for 30 years.

Will you please read the enclosed copy of my letter that was laid on the table of the Conference, as it goes more into detail.

I have, &c.
(Signed) AUDLEY COOTE.

To the Honourable the Chief Secretary,
Hobart.

No. 57.

THE MARQUESS OF RIPON to VISCOUNT GORMANSTON (TASMANIA).

MY LORD,

Downing Street, August 30, 1893.

I HAVE the honour to acknowledge the receipt of the Despatch* which the Officer Administering the Government of Tasmania addressed to me on the 27th of May, transmitting a letter from Mr. Audley Coote, with various papers respecting the Pacific cable.

I request that your Lordship will inform Mr. Coote that his letter was duly received.

On the general question of the choice of the route, I have addressed you in a despatch of even date.†

I have, &c.
(Signed) RIPON.

No. 58.

THE MARQUESS OF RIPON to the GOVERNORS OF AUSTRALASIAN COLONIES.

MY LORD,
SIR,

Downing Street, August 30, 1893.

1. ‡I HAVE the honour to acknowledge the receipt of the despatch which the Officer Administering the Government of Victoria addressed to me on the 8th of May,§ respecting cable communication with England *viâ* the Pacific Ocean.

1. ‖I have the honour to acknowledge the receipt of your despatches Nos. 40, 41, and 85 of the 23rd and 27th of March and the 8th of June¶ respectively, respecting

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* No. 56.
§ No. 55.
† No. 58.
‖ To Queensland.
‡ To Victoria.
¶ Not printed.

the proceedings of the Postal and Telegraph Conference recently held at Brisbane, and the action of the Governments of Queensland and New South Wales in regard to the laying of a cable between the former Colony and New Caledonia, and the possible extension of cable communication to North America.

*Sir,
My Lord,

1. I have the honour to acquaint you, for the information of your Government, that my attention has been given to the debates which took place at the Postal Conference recently held at Brisbane, with special reference to the question of the proposed Pacific cable route.

2. While regarding with satisfaction on general grounds the approaching telegraphic connexion of Australia with New Caledonia, Her. Majesty's Government cannot but view with regret the action taken by the Governments of Queensland and New South Wales, as it implies a departure from principles with regard to Colonial cohesion and the consideration of Imperial interests to which prominence was given in the discussions of the Colonial Conference of 1887, and, as it appears, diminishes the chance of their assistance in laying any future Pacific cable, passing through British Possessions or protected territory and avoiding the possessions of European Powers. Her Majesty's Government share the views expressed by the Victorian Government that inconvenience, loss, and indeed danger to both Colonial and Imperial interests might arise in time of war if the Pacific cable passed through New Caledonia, and they cannot, from an Imperial point of view, regard with approval an arrangement under which such cable would touch foreign territory.

3. In connexion with the question of the neutrality of cables in time of war, I observe, from the account of the third sitting of the Brisbane Conference, that reference was made to the possibility of negotiating an International Treaty for the protection of existing cables in time of war.

4. The present position of the case is, as your Ministers are no doubt aware, defined by the International Convention relating to the protection of submarine cables, signed at Paris on the 14th March 1884, a copy of which is enclosed for convenience of reference, and I would draw attention to the XVth Article and to the declaration in respect of the interpretation of that Article made by the late Viscount Lyons on behalf of Her Majesty's Government on the occasion of the signing of the Convention.

I have, &c.
(Signed) RIPON.

No. 59.

Sir JOHN THOMPSON (Premier) to the HIGH COMMISSIONER FOR CANADA.

Telegraphic.

(Received in Colonial Office, September 11, 1893.)

9th September.—Inform Colonial Office delegates go Canada to Australia. Subjects inter-colonial trade and telegraphic cable. Most desirable no step be taken forming communication by French cable with Fiji until Canada heard from.

No. 60.

The HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.
(Received September 14, 1893.)

Victoria Chambers, 17, Victoria Street, London, S.W.,
Sir, September 13, 1893.

With reference to my conversation with you on Monday last, I now beg to quote, for the information of the Secretary of State for the Colonies, the following telegram sent to me on the 9th instant by Sir John Thompson:—"Inform Colonial "Office delegates go Canada to Australia. Subjects inter-colonial trade and telegraphic

* To all but Queensland and Victoria.

" cable. Most desirable no step be taken forming communication by French cable " with Fiji until Canada heard from."

As arranged, I have cabled in reply that the contents of the telegram have been noted in your Department, and that with regard to the extension of the French cable to Fiji no proposal of that nature has yet been submitted to the Secretary of State.

I am, &c.
(Signed) J. G. COLMER,
Secretary.

No. 61.

THE MARQUESS OF RIPON to GOVERNORS OF THE AUSTRALASIAN COLONIES.

MY LORD,
SIR, Downing Street, September 15, 1893.

As I understand that the question of the Pacific cable will shortly form the subject of discussion between delegates from the Dominion of Canada and the Governments of the Australian Colonies, I transmit, for the information of your Ministers, copy of correspondence which has recently passed between this office and the Lords Commissioners of the Admiralty and the Postmaster-General on this subject.

I have, &c.
(Signed) RIPON.

No. 62.

COLONIAL OFFICE to HIGH COMMISSIONER FOR CANADA.

SIR, Downing Street, September 15, 1893.

REFERRING to your interview with Mr. Meade, when you left with him a copy of the telegram of the 9th instant* from Sir John Thompson respecting the proposed visit of Canadian delegates to Australia, and the desirability of taking no steps for forming communication by French cable with Fiji until Canada has been heard from, I am directed by the Marquess of Ripon to acquaint you that the question of connecting Fiji with New Caledonia by the French cable has not yet been submitted to his Lordship, and that, should it come before him, he will bear in mind the wishes of the Canadian Government, but he has no expectation at present that such a proposal will be made.

With reference to your request to be furnished with papers on the subject of the Pacific cable for the use of the Canadian delegates, I am directed to transmit the accompanying documents for their information.

The latest communication from Canada on the subject was a despatch dated 9th of January last from the Governor-General†, transmitting a minute of Council of the 26th of December proposing the formation of a commission of inquiry into the most feasible means of completing the telegraphic system of the Empire, and I am to inclose a copy of the reply, dated the 22nd of March§, which was returned by Lord Ripon to the Governor-General.

I am, &c.
(Signed) EDWARD WINGFIELD.

No. 63.

FOREIGN OFFICE to COLONIAL OFFICE.

(Received October 27, 1893.)

SIR, Foreign Office, October 26, 1893.

I am directed by the Secretary of State for Foreign Affairs to transmit to you, to be laid before the Secretary of State for the Colonies, copy of a despatch respecting a cable route from Australia *viâ* the Pacific to Vancouver.

I am, &c.
(Signed) P. W. CURRIE.

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* No. 59. † No. 50. ‡No. 51.

Enclosure in No. 63.

Consul CUSACK-SMITH to the EARL OF ROSEBERY.
(Received October 14.)

MY LORD, Samoa, September 12, 1893.

I HAVE the honour to report that on the 16th August I received a request from Sir T. McIlwraith, of the Queensland Government, that I would hand to the Government of Samoa a resolution adopted at a Postal and Telegraph Conference of Australasian delegates held in Brisbane in March last, affirming the desirability of establishing a cable route from Australia *viâ* the Pacific to Vancouver.

Upon the advice of the three Consuls, the Samoan Government has replied to Sir T. McIlwraith, stating its satisfaction, and offering any assistance in its power, although unable to subscribe money at present.

I have, &c.
(Signed) T. B. CUSACK-SMITH.

No. 64.

SIR H. W. NORMAN (QUEENSLAND) to the MARQUESS OF RIPON.
(Received December 5, 1893.)

EXTRACT. Government House, Brisbane,
October 24, 1893.

I HAVE the honour to transmit, for the information of your Lordship, copy of a memorandum prepared by Mr. Sandford Fleming, C.M.G., on the subject of a cable between Australia and British Columbia.

Mr. Fleming, who is well known at the Colonial Office as an eminent civil engineer, is now in Australia with Mr. Mackenzie Bowell, Canadian Minister for Trade and Commerce, who has been deputed to the Australian Governments in a mission for the furtherance of commercial relations between the Australian Colonies and the Dominion of Canada. Mr. Fleming has been good enough to present me with the copy of his memorandum, which I enclose, and he has supplied the Premier of Queensland with a copy through Mr. Bowell.

Enclosure in No. 64.

The Australia Hotel, Sydney,
SIR, October 11, 1893.

SINCE I arrived in Sydney I have obtained, through the courtesy of the Premier and Postmaster-General, full statistics respecting telegraphy between the Australian Colonies and Great Britain. Thus enabled to present my views on the matter of the Pacific cable, based on the latest ascertained facts, I beg leave to submit the following memorandum for the information of yourself and the several Governments.

I have, &c.
(Signed) SANDFORD FLEMING.

The Honourable Mackenzie Bowell,
Minister of Trade and Commerce, Canada,
(Delegate to the Australian Colonies and New Zealand).

MEMORANDUM ON THE PACIFIC CABLE.

Sydney, New South Wales,
October 11, 1893.

THE printed proceedings of the Postal and Telegraph Conference, held in Brisbane in March last, reached Canada a few weeks back. The resolution passed by the Conference, expressing the opinion that the time has arrived when a cable should be established to Vancouver, was welcomed with peculiar satisfaction by those who for years have looked forward to the prospect of having the two countries connected telegraphically. The debate, however, by members of the Conference, together with letters attached to the proceedings, gave rise to misgivings, which were in no way

lessened when a copy of the agreement between the French Government and the New Caledonia Cable Company was subsequently received from Europe.

As one who has long taken an active interest in the proposal to connect Australia and New Zealand with Canada by a Pacific cable, I have been impelled by a sense of duty to visit these colonies at this juncture to inquire into all the circumstances, and, if the facts appeared to require it, to submit a respectful representation on the subject, and to appeal with all the earnestness I can command against a contemplated step, which, if carried out, would, in my humble judgment, greatly lessen the commercial utility of the Pacific cable, and render it comparatively valueless as a national undertaking.

Before leaving Canada I gathered from the proceedings of the Postal Conference, and the papers appended thereto, and I learn from other public documents since my arrival in Sydney, in substance as follows:—

(1.) It is designed that the cable from Queensland to New Caledonia shall form the first link of the Trans-Pacific Cable, and that it is the intention of the Company to proceed section by section as further subsidies are obtained.

(2.) An opinion is expressed in some quarters that it is impossible to lay a cable through the Pacific Ocean from any part of Australia or New Zealand to Canada without landing at some places such as New Caledonia, Samoa, and Hawaii, where British influence is not supreme.

(3.) From the fact that the lines of the Eastern and Eastern Extension Cable System touch foreign soil at several points, it has been urged that the Pacific Cable, landing at New Caledonia, would be in no worse position than the present line of telegraph between Australia and England.

In considering these points, I would first direct attention to the character of the agreement between the French Government and the Société Française des Télégraphes Sous-Marins, dated 3rd February 1893, subsequently ratified by the Parliament of France.

The Pacific cable, as originally projected and advocated for many years, has been designed to connect the two greatest divisions of the British Colonial Empire—Australia and Canada—by a route substantially British throughout. Unless such a route be physically impossible, it would, in my judgment, be unwise in the last degree to place the first section of this undertaking absolutely under the control of a foreign Power.

I venture to think it can be indisputably established that there is more than one route from Australia and New Zealand to Canada eligible for a British cable; that there is no necessity whatever for landing at New Caledonia, Samoa, or Hawaii, or, indeed, at any island occupied by natives who are not already wholly under British protection. I beg leave to describe several of such routes or combination of routes:—

Route No. 1.

Commencing at Vancouver Island, the cable would extend to Fanning Island, thence to the nearest island of the Fiji Group. From Fiji it may run direct to New Zealand, and thence to the Australian Continent; or it may run first to Norfolk Island, and from that point bifurcate to the northern part of New Zealand, and to a convenient point near the boundary between New South Wales and Queensland.

Route No. 2.

From Vancouver Island the cable would be laid to a small unoccupied island indicated on the charts as Necker Island, favourably situated about 240 miles westward from the Hawaiian Group. From Necker Island the cable would extend to Fiji, and thence as in route No. 1 to New Zealand and Australia.

Route No. 3.

As in route No. 2, the cable would extend from Vancouver Island to Necker Island, thence to Onoatoa or some one of the eastern islands of the Gilbert Group. From this station in the Gilbert Group two branches would extend, one to Queensland and the other to New Zealand. The Queensland branch would touch at San Christoval Island, in the Solomon Group, and terminate at Bowen, connecting at that point with the land lines easterly to Brisbane and Sydney, westerly to the Gulf of Carpentaria, where a connexion may be formed with the Port Darwin-Adelaide Trans-continental telegraph,

leading to Victoria, Tasmania, South and West Australia. The New Zealand branch of this route would find a mid-station on Viti Levu, the southern island of the Fiji Group.

Route No. 4.

As in routes Nos. 2 and 3, the cable would be laid from the northern terminal point to Necker Island. From Necker Island it would extend in a direct course to Bowen, touching at Apamana—a central island of the Gilbert Group—and at San Christoval, of the Solomon Group. At Bowen, this route may, as in the case of route 3, connect with Melbourne, Adelaide, Tasmania, by the South Australian overland line. Route No. 4 is probably the shortest possible line that can be drawn on the surface of the globe between any part of Canada and any part of continental Australia. It has the disadvantage of excluding from its telegraph service the Fiji Islands and New Zealand. To connect the latter Colony a special cable from Queensland or New South Wales would be required. The Fiji Islands, however, would remain without a telegraph by this route.

The distance by each route is ascertained to be as follows (details are appended):—

Route No. 1.—Including both branches from Norfolk Island to New Zealand and Australia	7,145 knots.
Route No. 2.—Including branches to New Zealand and Australia	7,175 „
Route No. 3.—Including both branches to Queensland and New Zealand from the Gilbert Group	8,264 „
Route No. 4.—Vancouver to Bowen	6,244 „
Route No. 4A.—Vancouver to Bowen, with a special cable from the mainland to New Zealand	7,310 „

Cost.

In estimating the cost of a cable there are various circumstances that require to be considered. One of the most important is the allowance for slack. It is customary to add an allowance to the ascertained superficial distance of 20 per cent., in order that the cable may be safely laid at all depths and under all conditions likely to arise. This practice has been followed in estimating the cost of establishing a cable by each route. In the case of route No. 1 a special allowance is made on account of the unusually long section between Vancouver and Fanning Island. In each case the estimate is intended to cover the cost of cables of the best type manufactured:—

	£
Route No. 1, estimated cost completed	1,678,000
„ 2 „	1,585,000
„ 3 „	1,825,000
„ 4 „	1,380,000
„ 4A „	1,610,000

Having pointed out that there is a choice of routes for an essentially British cable across the Pacific, and presented estimates of cost, which I believe to be fairly reliable, I ask permission to add a few remarks bearing on the means which may be taken to carry out the undertaking.

There are two ways by which the object may be accomplished. First, through the agency of a company liberally subsidised. Second, as a public work under Government control. I have given this question much consideration, and year by year I have become more and more firmly convinced that if economy, low rates for telegraphy, and the highest efficiency be desired, the latter means of establishing the cable is the best. Promoters of companies generally desire to make large sums of money. The policy of companies is to obtain from the public as large profits as possible, while that of Governments is to accommodate and benefit the public in every possible manner by reducing the rates to the lowest practicable point, and by giving the most efficient service. The principle of ownership of telegraphs by Government is not new. It has long been adopted in the United Kingdom, in India, in these Colonies, and elsewhere, and in every case I am aware of, where the principle has been tried, the public has derived the greatest advantage.

Various efforts have been made during the past ten years to have the Pacific cable established by a subsidised company, but no company has offered to carry out the undertaking for a less subsidy than 75,000*l.* a year, continued for a period of 25 years

It can be indisputably shown that under the plan of Government ownership a much less annual payment, for a very much shorter period, will suffice. Moreover, when established, the cable will be public property, controlled by Government for the public benefit.

The proposal then is that Australia, New Zealand, Fiji, and Canada, should be joint owners of the Pacific cable, and that it should be established and worked as a public undertaking for the common good. There is one difficulty to be met at the outset. Certain of the Australian Governments are under obligations to pay an annual subsidy of 32,400*l.* to the Eastern Extension Company until May 1899, and, in consequence, they may not consider themselves in a position to co-operate on equal terms with the other Governments concerned in establishing the new line. This difficulty is not, however, insuperable, and in my judgment it can most readily be overcome by providing out of capital an annuity to meet the subsidy as it annually becomes due. By this arrangement the liability of New South Wales, Victoria, South Australia, and Western Australia to the Eastern Extension Telegraph Company would be practically removed, and these Colonies would be free to enter with Queensland, New Zealand, Fiji, and Canada into a joint agreement to accomplish the establishment of the Trans-Pacific Telegraph. As will hereafter be seen, the annuity so provided to extinguish the subsidy of 32,400*l.* a year would be met by profits accruing from the new cable. Meanwhile, all liability incurred in the raising of capital would be borne in equitable proportions by all the co-operating Governments.

	£
To illustrate the proposal set forth, let us assume that the cable itself, say on route No. 2, requires an expenditure of - - -	1,600,000
To this capital add the sum needed to purchase an annuity to meet the annual subsidy of 32,400*l.* from May 1894 to May 1899—five years - - - - - - -	145,000
Total - - -	£1,745,000

This total capital raised on the joint guarantee of the Australian Colonies, New Zealand, and Canada could be placed at the low rate of 3 per cent., making a total charge of 52,350*l.* per annum.

This interest charge is less than the lowest subsidy asked by a company, and I shall establish, by the strongest possible evidence, that unlike a subsidy for a fixed period of 25 years, long before the expiry of that period, the whole interest will be met by surplus revenue.

Cost of Working.

I have obtained estimates from the best authorities of the cost of working the Pacific Cable under Government. These estimates range from 45,000*l.* to 60,000*l.* per annum, and include the salaries of superintendents, electricians, and operators, two steamers for current repairs and all necessary expense at terminal and mid-ocean stations. As it is desirable to have adequate allowance for every service, it is expedient to base our calculations upon the highest estimate (60,000*l.*) as the total cost of working the cable. Sixty thousand pounds will accordingly be a first charge on the revenue, and it will remain a constant charge whatever the volume of business, whether 5,000,000 words per annum or 500,000 only.

Renewal Fund.

Next to working expenses there should be an annual charge on revenue for renewals. It is proposed, therefore, to place to a cumulative reserve the sum of 32,000*l.* a year, equal to 2 per cent. on the entire cost of the cable. This provision is considered ample until the earning qualities of the cable come to be thoroughly established.

Revenue.

In many cases it is difficult, owing to the lack of information, to form estimates of the probable revenue of a projected undertaking. In this instance, however, the best data is available for our guidance. We have the published statistics of telegraph business by the existing line between Australia and Europe for a number of years, and it is fair to assume that on the establishment of the Pacific cable, rates and all other things being equal, the business will be equally divided between the two lines.

I am unable to ascertain the business for the past year, but I gather from the published returns that the number of words transmitted in the year ending May 1st, 1892, was 1,275,191. If we divide this into equal parts we have 637,595 words as a basis for estimating the revenue of the Pacific cable.

In examining the returns for previous years some striking peculiarities are apparent. During the eight years from 1882 to 1890 the telegraph business between the Australian Colonies and Great Britain increased on an average 54,441 words each year, equal to 14 per cent. per annum. This may be viewed as the normal increase under a high tariff, inasmuch as throughout these eight years the charges on ordinary messages were never less than 9*s.* 4*d.* per word. On May 1st, 1891, the rate was reduced from 9*s.* 4*d.* to 4*s.* per word, and within the 12 following months the business increased by 448,913 words—an increase of 54 per cent. on the business of the previous year, and 831 per cent. over the normal annual increase during the preceding eight years. The further expansion of business will no doubt for the present be disturbed and retarded by an increase in the charges on messages on the 1st January last; but there remains the experience of the year 1891–92 to establish the remarkable effect of a low tariff in stimulating telegraphy. In that single year the increase in the number of words transmitted under a 4*s.* rate was greater than the growth of the business during the whole of the preceding eight years under a 9*s.* 4*d.* rate.

One of the direct benefits to the public from the Government ownership of the Pacific cable will be the reduction in charges for transmitting messages. I have already mentioned that with a full and efficient staff, such as the estimate for working expenses provides for, it will cost no more to do a large business than a small. There will, therefore, be no reason for preventing the freest expansion of telegraphy by the new line by lowering the charges. In my humble opinion, the rates across the Pacific should be lowered to 2*s.* per word immediately on the cable being laid, in order that the public may have the advantage of cheaper communication at the earliest moment.

The proposed rate of 2*s.* per word for transmitting messages across the Pacific would reduce charges between Australia and England to 3*s.* 3*d.* in place of 4*s.* 9*d.* as at present. Moreover, messages from Australia, received at Vancouver, would be forwarded to all parts of Canada and the United States for an average charge not exceeding 2*s.* 3*d.* per word in place of 6*s.*, the present charge.

I wish to avoid extravagant statements or too sanguine estimates. I would, in submitting my ideas, particularly desire to keep strictly within reasonable probabilities. If we base estimates on the existing volume of business merely, we must anticipate that there will be no great advance over the business of 1891–2, for a few years, if the charges on messages are again raised, as they already have been to some extent. In the calculations which follow, I shall, therefore, assume the business to be at a standstill for three years; that is to say, I shall assume that the business in 1894 will not be greater in volume than it was in 1891–2, and that thenceforth the normal increase of not more than 14 per cent. per annum shall apply. The number of words transmitted in 1891–2 was 1,275,191. It is assumed that the Pacific cable would, if in operation in 1894, obtain one-half of this business.

Year.	Number of Words per Annum.	Earnings of the Cable at 2*s.* per Word.	Year.	Number of Words per Annum.	Earnings of the Cable at 2*s.* per Word.
		£			£
1894	637,595	63,759	1900	1,173,176	117,318
1895	726,858	72,686	1901	1,262,439	126,244
1896	816,122	81,612	1902	1,351,703	135,170
1897	905,386	90,539	1903	1,440,967	144,097
1898	994,649	99,465	1904	1,530,230	153,023
1899	1,083,913	108,391			

It is scarcely likely that the Pacific Cable will be established before the year 1896. The above estimate shows that in the year following (1897) the revenue from the cable would be 90,539*l.*, a sum equal to the whole working expenses, together with 30,539*l.* for the renewal fund.

In the five following years the revenue, in addition to paying working expenses and providing for gradually reducing the interest charges would finally, in 1903, within about seven years after the completion of the undertaking, be sufficient to meet every current charge, and the contributing Governments would practically be relieved from

further liability. Not only would all fixed charges be then met but, in succeeding years, the productive capacity of the undertaking would yield an annually increasing surplus, to be dealt with as the co-operating Governments may determine.

If instead of a 2*s.* rate we reckon the same business for each year at an additional 6*d.* per word, or 2*s.* 6*d.* in all, a charge on messages across the Pacific which would still be considered comparatively low, we have as follows :—

Year.	Earnings of the Cable at 2*s.* 6*d.* per Word.	The fixed Charges, including Working Expenses, Renewal Fund, and Interest, being in all 144,350*l.* per Annum.	
		Deficiency.	Surplus.
	£	£	£
1897 - -	113,173	31,177	—
1898 - -	124,331	20,019	—
1899 - -	135,489	8,861	—
1900 - -	146,647	—	2,297
1901 - -	157,805	—	13,455
1902 - -	168,963	—	24,613
1903 - -	180,121	—	35,771
1904 - -	191,279	—	46,929
1905 - -	202,437	—	58,087
1906 - -	213,595	—	69,245

This last estimate gives the result for the first 10 years' operation of the cable based on a 2*s.* 6*d.* rate and a low normal increase. It shows that the revenue for the first year would be insufficient to pay the whole interest on capital in addition to working expenses and provision for renewal fund, and that the co-operating Governments would together require to pay 31,177*l.* to make up interest. In the following year the deficiency to be made good would be 20,019*l.*; in the third year, 8,861*l.* A small surplus would result in the fourth year, and at the end of 10 years there would be an accumulated surplus of over 250,000*l.* after meeting interest on cost and every other charge.

Comparison with present Subsidy.

If we compare these estimated results with the sums now paid for the temporary use of the existing telegraph at lower rates than formerly, we shall find everything in favour of an independent cable owned and controlled by Government.

There is first a fixed annual subsidy of £32,400 paid to the Eastern Extension Cable Company by five of the colonies. In addition to this annual payment I find in the Postmaster-General's (N.S.W.) Report for 1892 (page 25) that further sums have been paid to the same Company for the past two years, to obtain a reduction in charges from 9*s.* 4*d.* to 4*s.* and 4*s.* 9*d.* Under the heading "Cable Guarantee," I find that 27,520*l.* was paid for the year 1891-2, and 21,778*l.* for the year 1892-3. If we add this guaranteed payment to the subsidy, we find the payments in each case to have been :—

Colony.	Subsidy and Guarantee paid	
	For the year 1891-2.	For the year 1892-3.
	£	£
By Victoria - - - - -	25,730	23,048
„ New South Wales - - - -	23,787	21,126
„ South Australia - - - -	7,966	7,213
„ Tasmania - - - - -	1,447	1,102
„ Western Australia - - -	990	874
Total sums paid - -	59,920	53,363*

* Note.—This does not include 815*l.* paid by New Zealand.

Thus it appears that five colonies have paid, in each of the past two years, to the Eastern Extension Cable Company, sums in excess of the interest (52,350*l.*) on the whole capital required to establish the Pacific Cable. I do not know that it is at all

necessary to carry the comparison any further. I will only remark that in the case of the Pacific Cable the liability for interest would not be confined to the present five contributing colonies, the intention is that it shall be borne in equitable proportions by all, including New Zealand, Queensland, Fiji, and Canada, and in consequence would fall lightly on each. Moreover, it is perfectly clear from the estimates of revenue, that, while at no time would the interest charge, distributed over nine Governments, exceed 52,350*l.*, so soon as the cable goes into operation the payments on interest account would gradually be reduced, and in a very few years would be wholly covered by surplus revenue. It is quite true that in the case of the Eastern Extension Cable the guarantee may cease any year by giving notice, and the obligation resting on five colonies to pay the annual subsidy of 32,400*l.* will in any event terminate in 1899; but, without an alternative line under Government control, is there any certainty that the Eastern Extension Company may not raise charges to the old high rates unless an extension of the subsidy be granted them?

Conclusion.

In connection with the estimates of revenue I have pointed out from statistical returns two elements of increase of business—(1.) a normal increase under an exceedingly high tariff; (2.) a very much greater increase under a lower tariff. There will be a third increase which will be due to the development of traffic with Canada, and in bringing the Australian Colonies into direct telegraphic touch with the whole telegraph system of North America. At present telegraphic intercourse is insignificant, but with a 2*s.* or 2*s.* 6*d.* rate across the Pacific, in place of a 6*s.* rate by a circuitous route, the circumstances will be favourable to the growth of telegraph business between the two continents, and, in consequence, the revenue to the Pacific Cable from this source will rapidly develop to large proportions.

In the foregoing estimates of revenue I have reckoned only the normal increase under a high tariff and taken no account of the greater increase which certainly will result from the charges being lowered, as proposed. I have likewise added nothing for the Australasia-North American business, the whole of which would flow to the Pacific Cable. I am quite warranted, therefore, in expressing the opinion that the estimates of revenue I have presented are not exaggerated or unreasonable, and that the Pacific Cable established by Government in the manner proposed would effect very important results. It would practically extinguish all subsidies now paid and render guarantees unnecessary. It would permanently establish low rates for ocean telegraphy. It would yield a revenue which, after paying working expenses, providing for maintenance and renewals, would make good all interest charges on the whole cost of the undertaking from the beginning, and in a very few years would furnish large surplus earnings. I venture to think, then, that if the resolution passed by the Postal and Telegraph Conference in March last be generally assented to in these colonies, the Governments need not hesitate in incurring the comparatively small, almost nominal, liability necessary to secure a telegraph connexion across the Pacific, which every British subject will recognise to be of the greatest national and commercial value.

APPENDIX.

Distances by the several routes or combinations of routes referred to in the Memorandum of Mr. Sandford Fleming, October 11th, 1893, on the Pacific Cable.

Route No. 1.

	Knots.
Vancouver Island to Fanning Island	3,232
Fanning Island to Fiji, North Island	1,715
Fiji to Norfolk Island	1,022
Norfolk Island to North Cape, New Zealand	415
Norfolk Island to Tweed mouth, near boundary New South Wales and Queensland	761
Total	7,145

Route No. 2.

	Knots.
Vancouver Island to Necker Island	2,431
Necker Island to Fiji	2,546
Fiji to Norfolk Island	1,022
Norfolk Island to North Cape, New Zealand	415
Norfolk Island to Tweed mouth	761
Total	7,175

Route No. 3.

	Knots.
Vancouver Island to Necker Island	2,431
Necker Island to Onoatoa (in the Gilbert Group)	1,917
Onoatoa to S. W. Viti Levu (Fiji Group)	980
Viti Levu to North Cape, New Zealand	1,004
Onoatoa to San Christoval (Solomon Group)	953
San Christoval to Bowen, Queensland	979
Total	8,264

Route No. 4.

	Knots.
Vancouver to Necker	2,431
Necker to Apamana (Gilbert Group)	1,865
Apamana to San Christoval (Solomon Group)	969
San Christoval to Bowen, Queensland	979
Total	6,244

Route No. 4A.

	Knots.
Vancouver to Bowen, Queensland (same as No. 4)	6,244
Tweedmouth to North Cape, New Zealand	1,066
Total	7,310

No. 65.

SIR H. W. NORMAN (QUEENSLAND) to the MARQUESS OF RIPON.
(Received December 5, 1893.)

Government House, Brisbane,
October 27, 1893.

MY LORD,

HAVING communicated to the Chief Secretary of Queensland your Lordship's Despatch of the 15th September 1893,* forwarding copy of correspondence on the subject of the construction of a cable across the Pacific Ocean, I beg now to forward to your Lordship copy of a letter of yesterday's date from Sir Thomas McIlwraith in acknowledgment of your despatch.

I have, &c.
(Signed) H. W. NORMAN.

* No. 61.

Enclosure in No. 65.

Chief Secretary's Office, Brisbane,
October 26, 1893.

Sir,

I have the honour to acknowledge the receipt from your Excellency of Lord Ripon's Despatch of 15th September 1893, inclosing, for the information of this Government, in connexion with pending discussions between delegates from the Dominion of Canada and the Governments of the Australian Colonies, on the subject of a Pacific cable, copy of correspondence on this question, which has recently passed between the Colonial Office and Lords Commissioners of the Admiralty and Postmaster-General.

In view of Lord Ripon's Despatch of 30th August last, in which the action of this Government in connexion with the cable to New Caledonia was adversely criticised as being unfavourable to the chances of a future cable of exclusively British character, in reply to which criticism I felt it my duty to state very strongly the position of this Government in the matter, I must express my surprise at finding that the whole tenour of correspondence, forwarded only a fortnight later than the above date, is to show that a cable by the Pacific route to Vancouver, which was the only alternative route actually in question, is impracticable.

While thanking the Secretary of State for the copy of correspondence referred to, I can only reiterate the desire of this Government, notwithstanding the discouraging character of the correspondence, that the Pacific cable scheme may yet be carried out, and their belief that it would tend to the promotion of Imperial as well as Colonial interests that Her Majesty's Government should join in guaranteeing the line.

As requested by your Excellency I return the enclosures to the Despatch of 15th September.

I have, &c.
(Signed) Thomas McIlwraith.

His Excellency
Sir Henry W. Norman, G.C.B., G.C.M.G., C.I.E.,
Governor.

No. 66.

The EARL OF KINTORE (South Australia) to the MARQUESS OF RIPON.
(Received December 5, 1893.)

Adelaide, November 1, 1893.

My Lord,

Your Lordship's Despatch, of the 30th August,* has been under consideration by Ministers, who fully concur with the opinion therein expressed, that, should any Pacific cable become hereafter desirable, it should, wherever possible, be confined to British Territory.

I have, &c.
(Signed) KINTORE.

No. 67.

Sir W. C. F. ROBINSON (Western Australia) to the MARQUESS OF RIPON.

(Received December 18, 1893.)

Government House, Perth,
November 15, 1893.

My Lord,

I have the honour to acknowledge the receipt of your Lordship's Despatch of the 15th September,† enclosing copy of correspondence on the subject of the Pacific Cable.

2. The despatch and enclosures have been communicated to Ministers as directed.

I have, &c.
(Signed) W. C. F. ROBINSON.

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* No. 58. † No. 61.

No. 68.

The HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.

(Received December 26, 1893.)

Victoria Chambers, 17, Victoria Street,
London, S.W., December 23, 1893.

Dear Mr. Meade,

I beg to send you herewith, for the information of the Secretary of State, an extract from a letter written to me by Mr. Sandford Fleming relating to the Pacific Cable.

When Mr. Fleming arrives in London—he is expected in the course of a fortnight—I shall do myself the pleasure of introducing him to you.

In the meantime Mr. Fleming has asked me to get some information as to the survey which was commenced by Her Majesty's Government a few years ago, and subsequently abandoned, and if you can help me I shall be obliged. Probably some particulars are available, showing the amount of work done, &c. which will be useful in connexion with the discussions that will shortly be taking place on the subject.

I have, &c.

(Signed) CHARLES TUPPER.

Enclosure in No. 68.

Extract from a Letter from Mr. Sandford Fleming to Sir Charles Tupper.

Melbourne, November 6, 1893.

You will be glad to learn that we have met with unqualified success in our mission to Australia, and that the Governments of Queensland, New South Wales, Victoria, and South Australia have assented to the proposal to send representatives to Canada at an early day, to consider trade relations and the establishment of the Pacific Cable. All the other colonies will no doubt join, and I may state, as the best evidence of the determination reached, that in the Speech from the Throne, at the prorogation of the Parliament of Victoria to-day, the proposed Canadian Conference is specially mentioned. This, to my mind, is as satisfactory an outcome as could have been hoped for from the visit of the Canadian Minister of Trade and Commerce to the southern colonies of the Empire, and I feel assured it will lead to happy results.

In our interviews with the Governments of Queensland, New South Wales, and Victoria, in Brisbane, Sydney, and this city, we learned that despatches had quite recently been received from the Colonial Office enclosing reports from high officials in the Admiralty and Post Office Department on the proposed Pacific Cable. We learned, further, with deep regret, that the tone and tendency of the reports is discouraging and peculiarly antagonistic to the carrying out of the undertaking, that they convey the impression that the new line of telegraph is not required, and, besides being unnecessary, is impracticable or next to impracticable. Considering the character of our mission to lay the foundations of trade between the Australasian Colonies and Canada, to develop telegraphic intercourse between these Colonies and the heart of the Empire by an entirely new route, and especially to prevent the Pacific Cable drifting into foreign hands, it could not fail to be felt that the receipt of such reports during our visit was an unhappy coincidence. This was felt the more as the agents and advocates of the Eastern Extension Telegraph Company have long taken the same ground, and urged that the Pacific Cable is alike unnecessary and impracticable.

But there is another side to the question, and as the Colonial Minister naturally will desire to obtain the fullest information from all sources, I think it would be well to bring to his attention the enclosed correspondence* between Sir John Pender and myself, and likewise the memorandum† (of date October 11th) transmitted by Mr. Bowell to the several Australian Governments and New Zealand, a copy of which has been sent you.

The latter document will furnish to the Home Government evidence establishing that an electric cable, essentially British, from Australia to Canada, is entirely practicable. The letter of Sir John Pender is the best proof that he no longer considers the Pacific Cable unnecessary and impracticable, and that he is quite ready to co-operate in carrying out the work. My own opinions on this point are given in my reply to Sir John, and in my memorandum of October 11th. It will, of course, rest with the Conference when it meets in Canada to consider the proper course to be followed.

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* *See* Enclosures in No. 46.

† *See* Enclosure in No. 64.

Mr. Bowell will have informed you in his letter of this date that I leave for London by an early steamer, and that on my arrival I shall ask your kind aid in obtaining information to lay before the members of the Conference when they reach Canada.

No. 69.

MEMORANDUM by SIR JOHN PENDER *re* PACIFIC CABLE SCHEMES.

(Received in Colonial Office January 3, 1894.)

IT having been clearly demonstrated that in agreeing to subsidise the New Caledonia cable the Governments of Queensland and New South Wales were practically committing the Australasian Colonies to the laying of a Pacific cable under French auspices and control, the action of those Governments has been severely criticised and condemned by the other Australasian Governments, as well as by Lord Ripon, and the agitation for a Pacific cable entirely under British control has been revived in the Colonies with increased intensity.

This agitation, however, is to a large extent based on sentiment, it being acknowledged that the existing cable service is second to none in the world, and equal to the transmission of many times the present volume of traffic.

Moreover, the existing tariff between Australia and Europe cannot now be said to be excessive, seeing that six out of the seven Australasian Governments recently urged the Eastern Extension Telegraph Company to increase it from 4*s.* to 4*s.* 9*d.* per word, in order that the heavy loss sustained by the Colonies and the company under the guarantee arrangement might be reduced. This loss for the first year of the guarantee (1891–92) amounted to - - - - - - - £55,040
and for the second year (1892–93) to - - - - - 43,558

Total - - - £98,598

one-half of which was borne by the guaranteeing Colonies, and the other half by the Cable Company.

Neither can a Pacific Cable be said to be wanted to meet the telegraphic requirements of Canada or America, as the whole of the telegrams at present exchanged between those countries and Australasia represent less than 4½ per cent. of the Australasian traffic, and by the present route can be transmitted very promptly and at a comparatively cheap rate, roughly 6*s.* per word.

Improved trade relations between Canada and Australasia will doubtless in time largely increase the telegraphic correspondence between the Colonies, but the first thing to be done is to build up the trade, and the steam service recently inaugurated across the Pacific should help to do this, and, for the present, ought to meet all reasonable requirements.

If, however, a Pacific cable is needed for strategetic purposes, the Governments interested must be prepared to pay for it, and would probably find it more advantageous to entrust the Eastern Extension Telegraph Company with the carrying out of the work.

It should, however, be borne in mind that, under the most favourable circumstances, the laying and maintenance of a cable across the Pacific would be attended with considerable difficulty and expense, owing to the exceptionally great depths through which the cable would have to pass, the inequalities of the bottom, the immense stretches to be bridged over, and last, but not least, the danger arising from coral formations at the various points where the cable would have to land.

According to Mr. Sandford Fleming, the Canadian Pacific Engineer, who accompanied the Canadian Minister of Commerce on his recent trade mission to Australia, an eligible route could be found without touching any foreign territory, and when in Australia proposals were submitted by him to the various Governments and Chambers of Commerce for connecting Canada with Australia by one of the following routes :—

No. 1. Vancouver viâ Fanning Island and Fiji to New Zealand and Australia, or touching at Norfolk Island on the way to New Zealand, with a branch cable from Norfolk Island to the coast of New South Wales. The length of this route is estimated at 7,145 nautical miles, costing 1,678,000*l.*

No. 2. Vancouver viâ Necker Island and Fiji to Norfolk Island, with cables from there to New Zealand and New South Wales. Estimated length 7,175 knots, costing 1,585,000*l.*

No. 3. Vancouver viâ Necker Island, thence to one of the islands of the Gilbert Group, with two branches from there, one to Queensland viâ the Solomon Group, and the other to New Zealand viâ Fiji. Length 8,264 knots, costing 1,825,000*l.*

No. 4. Vancouver to Necker Island, Gilbert Islands, Solomon Islands to Bowen, in Queensland. Length 6,244 knots, costing 1,380,000*l.*

No. 4A. Vancouver to Bowen as in route No. 4, but with special cable from New South Wales or Queensland to New Zealand. Length 7,310 knots, costing 1,610,000*l.*

Mr. Fleming prefers the second route, and strongly urges that the cable should be laid and worked by the Governments of Australasia, Canada, &c. themselves, instead of by a company liberally subsidised, and that a sum of 145,000*l.* should be raised to meet the annual subsidy of 32,400*l.* which the Australasian Governments have to pay to the Eastern Extension Telegraph Company until 1899. Consequently he estimates the capital, expenditure, and revenue as follows :—

	£	£
Capital		1,745,000
Expenses :—		
Interest at 3 per cent.	52,350	
Cost of working	60,000	
Reserve fund (2 per cent.)	32,000	
		144,350
Revenue :—		
637,595 words (or half the existing traffic) at 2*s.* per word, the total rate to Europe being 3*s.* 3*d.*		63,759
Showing a clear loss to start with of		80,591

without making nearly sufficient provision for amortisation to replace cables when worn out.

Neither does Mr. Fleming's estimate of cost appear to make full allowance for the large expensive cores necessary for giving a fair working speed over such great distances as the longer sections would traverse, and the following figures in *italics* would probably be found to be more reliable than Mr. Fleming's :—

	Mr. Fleming's Estimate.		Eastern Extension Telegraph Company's Estimate.	
Route.	Length in Knots without Slack.	Cost including Slack.	Length in Knots without Slack.	Cost including Slack.
		£		£
No. 1	7,145	1,678,000	*7,175*	*2,339,000*
„ 2	7,175	1,585,000	*7,366*	*2,345,000*
„ 3	8,264	1,825,000	*8,641*	*1,933,000*
„ 4	6,244	1,380,000	*6,252*	*1,560,000*
„ 4A	7,310	1,610,000	*7,415*	*1,750,000*

But to make the line at all reliable as a competing route to the existing service, it would be necessary to lay the cable in duplicate, which would increase the cost to at least *five millions sterling*, and result in a loss to the colonies to start with of at least 246,241*l.* as follows :—

	£	£
Capital		5,000,000
Expenses :—		
*Interest at 3 per cent.	150,000	
Cost of working	60,000	
*Reserve fund, 2 per cent. on capital	100,000	
		310,000
Revenue :—		
637,595 words (or half the existing traffic) at 2*s.* per word, the total rate to Europe being 3*s.* 3*d.*		63,759
Total annual loss		£246,241

without making adequate provision for amortisation.

It is difficult, however, to conceive that either the Home or Colonial Governments would act so unfairly towards the pioneer company, to whom they are so much indebted, as to enter into unnecessary and ruinous competition with it. Not only would it be a complete reversal of the policy which they have hitherto pursued towards submarine telegraphy, but it might result in so weakening the company that in times of political trouble it would be unable to efficiently maintain the service.

When the time is ripe and the necessary subsidies are forthcoming to enable a Pacific cable to be laid, the Eastern Extension Telegraph Company will be found quite prepared to co-operate with the Home and Colonial Governments in carrying out the work, and by making use of its large experience, highly trained staff, cable ships, and other facilities, the colonies and the mother country would be better served than by encouraging unnecessary competition.

The route which would probably be found to be the shortest, cheapest, and most advantageous to all interested from a commercial point of view would be from New Zealand to Fiji, Samoa, Fanning Island, Honolulu, and San Francisco.

The length of cable would be about 7,459 knots and the cost 1,420,000*l.*, requiring 180,000*l.* a year to cover expenses, amortisation, and interest on capital, as follows :—

	£	£
Capital		1,420,000
Expenses :—		
Working 6 stations, say	25,000	
Maintenance of cables, including ships' expenses, 2½ per cent. on capital, say	35,000	
Amortisation to replace capital in 20 years, say	50,000	
		110,000
5 per cent. interest on capital, say		70,000
		£180,000

This route would meet trade requirements far better than any of those proposed by Mr. Sandford Fleming, and by opening up new sources of traffic would make the undertaking less onerous than if the cable touched upon British territory only.

But if Vancouver were preferred as a terminus to San Francisco, the sum required would be about 200,000*l.* a year, and assuming that Great Britain contributed one half of this and the remainder were divided between Australasia, Canada, &c., according to population (the principle upon which the subsidy and guarantee payments made by the Australasian Colonies to the Eastern Extension Telegraph Company are based), the result would be roughly as follows :—

	Population.	Amount.
		£
Australasia	3,800,000	44,580
Hawaii, Fiji, Samoa	24,000	282
Canada	4,700,000	55,138
Total		100,000

whereas Canada would only receive about 8,000*l.* a year if half the existing traffic between Australasia and Europe and America were diverted to the Canadian Pacific landline, as calculated in Mr. Sandford Fleming's proposals.

As to Great Britain sharing in the subsidy, it would be foolish to expect the Government, in these cheese-paring times, to contribute 100,000*l.* a year, or anything like it, to any Pacific cable.

No. 70.

THE HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.
(Received January 13, 1894.)
[*Answered by No.* 73.]

Victoria Chambers, 17, Victoria Street,
London, S.W., January 11, 1894.

DEAR SIR ROBERT MEADE,

WITH reference to my letter of the 23rd ultimo,* with regard to the proposed Pacific cable, I am desirous of ascertaining the date on which the survey that was partly carried out by Her Majesty's Government was commenced, as well as the date on which it was abandoned; and I shall be greatly obliged if you can obtain this information for me, and at the same time a copy of the instructions issued by the Admiralty on each occasion.

I remain, &c.
(Signed) CHARLES TUPPER.

No. 71.

COLONIAL OFFICE to ADMIRALTY.
[*Answered by No.* 72.]

Downing Street, January 16, 1894.

SIR,

I AM directed by the Marquess of Ripon to transmit to you, to be laid before the Lords Commissioners of the Admiralty, a copy of a letter† from the High Commissioner for Canada, requesting information as to the date when Her Majesty's ship "Egeria" was commissioned for survey work in the Central Pacific, and the date when she was withdrawn from that work.

Sir Charles Tupper also asks for copy of the instructions issued to the "Egeria" on each occasion, presumably so far as the work related to the proposed cable across the Pacific.

Lord Ripon would be glad if their Lordships would comply with Sir Charles Tupper's request, should they see no objection.

I am, &c.
(Signed) EDWARD FAIRFIELD.

No. 72.

ADMIRALTY to COLONIAL OFFICE.
(Received January 31, 1894.)

Admiralty, January 30, 1894.

SIR,

IN reply to your letter of the 16th instant,‡ and its enclosures, requesting to be supplied with certain information in regard to H.M.S. "Egeria," for communication to the High Commissioner for Canada, I am commanded by my Lords Commissioners of the Admiralty to request that you will inform the Secretary of State that the "Egeria" was sent to the Pacific Station, for hydrographic surveys, in April 1888, and that she was employed on that station until September 1890, during which time a good deal of knowledge as to depths, which would be useful in event of a cable being laid, was obtained between New Zealand and the Phœnix Islands.

In addition, much further information, also necessary for cable laying, was gathered as to correct positions, shapes, and conditions of the slope of islands at which a cable might possibly land.

My Lords desire me to observe that the instructions to H.M.S. "Egeria" were founded on the paragraph in Admiralty Letter to the Colonial Office of 28th May 1887§ which stated that "their Lordships would not propose to despatch a surveying "vessel for the sole purpose of obtaining soundings over the route, but they will "endeavour to arrange that soundings shall be gradually obtained during the next few "years, in the ordinary course of hydrographic surveys."

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* No. 68. † No. 70. ‡ No. 71. § No. 3.

I am to add that their Lordships do not propose to communicate the text of the "Egeria's," instructions for the information of Colonial Governments.

In conclusion, my Lords would draw the attention of the Secretary of State to Admiralty letters on this subject, dated 5th July 1887, 4th April 1888, and 23rd October 1889.*

I am, &c.
(Signed) EVAN MACGREGOR.

No. 73.

COLONIAL OFFICE to the HIGH COMMISSIONER FOR CANADA.

[*Answered by No.* 74.]

SIR, Downing Street, February 5, 1894.

IN reply to your letter of the 11th ultimo,† I am directed by the Marquess of Ripon to transmit for your information a copy of a letter,‡ addressed by direction of his Lordship to the Admiralty on the subject of the surveying work in the Pacific performed by H.M.S. "Egeria," together with a copy of the reply.§

I am, &c.
(Signed) EDWARD WINGFIELD.

No. 74.

THE HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.
(Received February 8, 1894.)

[*Answered by No.* 78.]

Victoria Chambers, 17, Victoria Street,
SIR, London, S.W., February 6, 1894.

I BEG to acknowledge the receipt of Mr. Wingfield's letter of the 5th instant,§ transmitting, for my information, a copy of a letter addressed by direction of the Marquess of Ripon to the Admiralty on the subject of the surveying work in the Pacific performed by H.M.S. "Egeria," together with a copy of the reply.

In asking you to kindly convey to his Lordship my thanks for his action in the matter, I venture to remark that I notice it is stated in the letter from the Admiralty that, during the time the "Egeria" was employed on the Pacific Station, "a good deal of "knowledge as to depths which would be useful in event of a cable being laid, was "obtained between New Zealand and the Phœnix Islands"; and that "in addition much "further information, also necessary for cable laying, was gathered as to correct positions, "shapes and conditions of the slope of islands at which a cable might possibly land."

It would, I am sure, be of much service, in the consideration of this question, if I could be furnished, for communication to the Canadian Government, with the knowledge and information referred to above, and I beg, therefore, to solicit the good offices of Lord Ripon in obtaining such particulars, if there should be no objection to their being supplied.

I am, &c.
(Signed) CHARLES TUPPER.

No. 75.

COLONIAL OFFICE to ADMIRALTY.

[*Answered by No.* 76.]

SIR, Downing Street, February 10, 1894.

WITH reference to your letter of the 30th ultimo,‖ respecting the surveying work done by H.M.S. "Egeria," I am directed by the Marquess of Ripon to transmit

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* Nos. 7, 18, and 33. † No. 70. ‡ No. 11. § No. 73. ‖ No 72.

to you, to be laid before the Lords Commissioners of the Admiralty, a copy of a letter* from the High Commissioner for Canada requesting to be furnished with the information collected by the "Egeria" bearing on the question of a Trans-Pacific cable.

Lord Ripon would be glad if their Lordships would comply with Sir C. Tupper's request should they see no objection.

I am, &c.
(Signed) R. H. MEADE.

No. 76.

ADMIRALTY to COLONIAL OFFICE.
(Received February 21, 1894.)

SIR, Admiralty, February 17, 1894.

WITH reference to your letter of 10th instant,† forwarding copy of a communication from the High Commissioner for Canada, in which he requests to be furnished with information collected by the "Egeria" bearing on the question of a Trans-Pacific cable, I am commanded by my Lords Commissioners of the Admiralty to enclose, for the information of the Secretary of State, and for transmission to the Canadian
5734. Government, printed copies of the Hydrographer's reports on Admiralty surveys for the
6052. years 1888, 1889, 1890, which contain an abstract of the work performed by that vessel.
6395. Lists of oceanic depths and serial temperature observations for the same years are also enclosed.

I am to add that the results of the "Egeria's" work are embodied in the published charts and sailing directions for the Pacific.

I am, &c.
(Signed) EVAN MACGREGOR.

No. 77.

THE EARL OF ABERDEEN to the MARQUESS OF RIPON.
(Received February 21, 1894.)
[*Answered by No.* 99.]

Government House, Ottawa,
MY LORD, February 8, 1894.

I HAVE the honour to forward herewith, for your Lordship's information, copy of a Despatch which I have this day addressed to each of the Governors of the Australasian Colonies and to the Governor of the Cape of Good Hope inviting the appointment of delegates to represent the several Colonies at a Conference to be held in this city on the 21st June next, for the purpose of discussing the questions of trade relations and telegraphic communication between Canada and the Australasian Colonies.

I have, &c.
(Signed) ABERDEEN.

Enclosure in No. 77.

Government House, Ottawa,
SIR, February 8, 1894.

I HAVE the honour to transmit to your Excellency herewith copy of an approved Minute of the Privy Council dealing with the question of promoting telegraphic communication and more extended trade relations between this Dominion and the Australasian Colonies.

Your Excellency will observe that with the purpose of discussing the necessary means to this end, it is proposed that a conference of delegates from the interested Colonies should be held at Ottawa on Thursday, the 21st day of June 1894, and I have the honour to request, in accordance with the recommendation of my Ministers, that your Excellency will appoint one or more delegates to represent the Colony under your Government at this conference.

I have, &c.
(Signed) ABERDEEN.

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* No. 74. † No. 75.

CERTIFIED COPY of a REPORT of a COMMITTEE of the Honourable the PRIVY COUNCIL, approved by His Excellency the GOVERNOR GENERAL in COUNCIL, on the 7th February 1894.

On a report dated 5th February 1894, from the Minister of Trade and Commerce, submitting the following recommendation relating to trade and cable communication between Canada and Australia:—

1. In order to cultivate and increase trade relations between Canada and Australia, an Act was passed (Act 52 Vict. c. 2., 1889, intituled an Act relating to Ocean Steamship Subsidies), authorising the granting of a subsidy of not exceeding the sum of 25,000*l.* sterling per annum, to assist in establishing an effective fortnightly steamship service between British Columbia and the Australian Colonies and New Zealand.

2. Chapter 2, 52 Vict. was amended by Act 56 Vict., c. 5 (1893), so as to authorise the granting of a subsidy of not exceeding the sum of 25,000*l.* sterling per annum to assist in establishing an effective monthly or more frequent steamship service between British Columbia and the Australian Colonies and New Zealand.

3. Under this authority a contract was entered into between the Minister of Trade and Commerce on behalf of Her Majesty and James Huddart of the City of London in England, bearing date the first day of May 1893, providing for a monthly or more frequent service between Vancouver, B.C., and Sydney, N.S.W., under the terms of which steamships of the capacity agreed upon were placed *en route*, the first one sailing from Sydney the 18th May 1893.

4. On the 7th September 1893, an Order in Council was passed authorising the Minister of Trade and Commerce to proceed to Australia and confer with the several Governments, with a view to promoting an extension of trade between Australasia and Canada, and also to confer with the said Governments on the subject of a telegraphic cable to connect Canada with Australia and New Zealand.

5. The Minister of Trade and Commerce on the 7th September 1893, proceeded to Australia and had conferences and communications with the Governments of the several Colonies on the subjects referred to in the said Order in Council of the 7th September 1893, at which it was suggested, and a decision was arrived at between the Minister of Trade and Commerce and the Premiers of New South Wales, Queensland, Victoria and South Australia, that it was important that a conference should be held at as early a date as would be most convenient, in the City of Ottawa, Canada, for the purpose of discussing the arrangements which might be considered the most desirable for the purpose of carrying out the objects in view.

6. The Minister recommends that the Governments of New South Wales, Queensland, Victoria, South Australia, West Australia, Tasmania, New Zealand, and Fiji be respectfully requested to appoint and send one or more delegates to meet at Ottawa on Thursday the 21st day of June, 1894, for the purpose of considering the trade relations existing between Canada and their respective countries, and the best means of extending the same and of securing the construction of a direct telegraphic cable between those Colonies and the Dominion of Canada.

The Minister further recommends that the Government of the Cape of Good Hope be invited to take part in the deliberations of the Conference herein referred to.

7. The Minister also recommends that the British Government be requested to take part in their Conference, by sending a delegate, or by such other means as may be considered advisable, inasmuch as the object in view is of an Imperial as well as of a Colonial character.

The Committee, concurring in the above recommendations, advise that your Excellency be moved to transmit a certified copy of this minute to Her Majesty's Principal Secretary of State for the Colonies.

The Committee further advise that your Excellency be also moved to transmit certified copies to the Governors of the various colonies herein referred to, and to the Governor of the Cape of Good Hope.

All of which is respectfully submitted for your Excellency's approval.

JOHN J. MCGEE,
Clerk to the Privy Council.

No. 78.

COLONIAL OFFICE to the HIGH COMMISSIONER FOR CANADA.

SIR, Downing Street, February 23, 1894.

WITH reference to your letter of the 6th instant,* I am directed by the Marquess of Ripon to transmit to you, for your information, copy of a letter† from the Admiralty enclosing copies of reports containing information as to the survey work done by H.M.S. "Egeria."

I am, &c.
(Signed) EDWARD FAIRFIELD.

No. 79.

THE HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.

(Received March 17, 1894.)

[*Answered by No.* 81.]

Victoria Chambers, 17, Victoria Street, London, S.W.,
SIR, March 16, 1894.

I HAVE the honour to state, for the information of the Marquess of Ripon, that the Hon. Robert Reid, the Minister of Defence of Victoria; the Hon. Sir Thomas McIlwraith, a member of the Queensland Government; the Agents General for the Australian Colonies (with the exception of those for South Australia and Western Australia), New Zealand, the Cape of Good Hope, and Natal, and I desire to wait upon his Lordship in reference to the following subjects:—

1. The importance of the prompt acquisition of Necker Island in connexion with the proposed British cable between Canada and Australasia.
2. To ask the Government to give substantial assistance towards the cost of laying and maintaining the proposed cable.
3. To place before Her Majesty's Government the importance of the new steamship communication between England and Australasia by way of Canada, and to ask for assistance in carrying it into effect.
4. To impress upon Her Majesty's Government the great importance of an early amendment of the Act 36 Vict. c. 22. "An Act to amend the Law with respect to Customs duties in the Australasian Colonies," so as to enable trade arrangements to be made between the Colonies of Australasia and the other Colonies of the Empire.
5. To urge Her Majesty's Government to send a Representative to the Conference between Canada and the Australasian and other Colonies which is to be held at Ottawa on June 21st next.

I venture to hope that his Lordship will be so good as to fix an early date upon which to receive us.

I am, &c.
(Signed) CHARLES TUPPER.

No. 80.

COLONIAL OFFICE to BOARD OF TRADE.

[*Answered by No.* 82.]

SIR, Downing Street, March 22, 1894.

I AM directed by the Marquess of Ripon to acquaint you, for the information of the Board of Trade, that the High Commissioner for Canada, with the Agents General for the Australasian Colonies (except South and Western Australia), with the Hon. Robert Reid, Minister of Defence for Victoria, and the Hon. Sir T. McIlwraith, a member of the Queensland Government, desire to wait upon his Lordship with the object, amongst other things, of impressing upon Her Majesty's Government the importance of an early amendment of the Act 36 Vict. c. 22. "An Act to amend the Law with respect to Customs duties in the Australasian Colonies," so as to enable trade arrangements to be made between the Colonies of Australasia and other Colonies of the Empire.

As the Board of Trade are aware the question of the trade between Canada and Australasia is now exciting considerable attention, and Canada and some of the Australian Colonies have subsidized a line of steamers trading between the Pacific Coast of Canada and Australia.

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* No. 74. † No. 76.

Lord Ripon considers it very desirable to foster as far as possible closer relations between the different parts of the empire, and would therefore be disposed to look with favour on any proposals tending to increase the commercial intercourse of the Colonies with each other.

That such arrangements are not precluded by any of the existing treaties between Her Majesty's Government and Foreign Powers Lord Ripon presumes may be taken for granted, but before taking any action in the matter he would be glad to be favoured with any observations which the Board of Trade may have to offer on the subject.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 81.

COLONIAL OFFICE to the HIGH COMMISSIONER FOR CANADA.

[*Answered by No.* 83.]

SIR, Downing Street, March 31, 1894.

I AM directed by the Marquess of Ripon, to acknowledge the receipt of your letter of the 16th instant* respecting the wish of yourself and representatives of the Cape of Good Hope and Natal and some of the Australasian Colonies to see his Lordship in reference to various questions relating to trade and steam and telegraphic communication between Canada and other Colonies.

Lord Ripon desires me to acquaint you that he will be happy to see you and the other representatives mentioned in your letter at this office on Wednesday next the 4th of April at 3 o'clock p.m., which he trusts will be convenient to you.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 82.

BOARD OF TRADE to COLONIAL OFFICE.
(Received March 31, 1894.)

Board of Trade (Commercial Department), London, S.W., March 31, 1894.

SIR,

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 22nd instant,† stating, by direction of the Marquess of Ripon, that the High Commissioner for Canada and the representatives of most of the Australasian Colonies are desirous of urging upon Her Majesty's Government the importance of amending the Act of 1873 regarding customs duties in the Australasian Colonies, so as to enable preferential trade arrangements to be made between the Colonies of Australasia and other Colonies of the British Empire.

In reply to Lord Ripon's request to be furnished with any observations which the Board of Trade may have to offer upon the subject, I am to state that the Board of Trade concurs in his Lordship's desire to promote closer relations between the various parts of the Empire, and especially between the great North American and Australasian groups; and would welcome any steps which could properly be taken to encourage this object.

The Board of Trade agree with the opinions expressed by the Law Officers in 1871 and 1882, that the Anglo-Belgian and Anglo-German treaties do not preclude preferential trade arrangements being entered into between the Colonial possessions of Great Britain. They observe, however, that the report of the Law Officers of the 6th May 1871 states that the Legislature of a British possession is not precluded from imposing on articles being the produce of the states of the Zollverein any higher or other import duties than those which are levied on articles of the like kind which are the produce of another British possession, *provided such duties are not higher or*

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* No. 79. † No. 80.

other than the duties imposed on articles of the like kind being the produce of the Kingdom of Great Britain and Ireland. They also observe that the report of the Law Officers on 14th January 1882, while concurring in the view that the most favoured nation clause in foreign treaties does not affect the right of this country to extend to the produce of its colonies more favourable treatment than it accords to the produce of foreign or third countries, is silent as regards the reciprocal power of the Colonies to admit goods the produce of the United Kingdom, on duties lower than are charged on similar goods the produce of foreign countries with whom we have Treaty obligations. And upon this point it has been pointed out that the undoubted effect of two particular clauses in the Anglo-Belgian Treaty and in the Anglo-Zollverein Treaty is to prevent lower duties being charged in British Colonies on the importation of goods the produce of the United Kingdom than are charged on similar goods the produce of Belgium or Germany. If this is the case, and if lower duties on each other's produce and manufactures were reciprocally adopted by Canada and the Australasian Colonies, British produce and manufactures would be differentially treated, and would pay the higher duties chargeable on the produce of foreign countries and of such colonies as are not parties to preferential arrangements.

Such discrimination against goods the produce of the Mother-country would, in the opinion of the Board of Trade, be likely to lead to serious complaints from the manufacturing and industrial classes of this country in the not unlikely event of Canada or any other Colony becoming a competitor with Great Britain in some special branch of manufacture, and such complaints would not be easy to answer.

In view, therefore, of this and other objections which may be urged to a general extension of the Act of 1873, the Board of Trade are of opinion that it would be preferable at the present time only to express readiness to consider favourably any special fiscal arrangements between such Colonies as desire to make them, having regard in each case to geographical, as well as to economic, considerations.

In the case of such an arrangement being proposed between Canada and the Australasian Colonies as regards food and raw materials only, the objections of the industrial and manufacturing classes of this country would probably not be so serious as if a general power to discriminate were sought from the Imperial Legislature.

I have, &c.
(Signed) COURTENAY BOYLE.

No. 83.

THE HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.
(Received April 3, 1894).

Victoria Chambers, 17, Victoria Street, London, S.W.
April 3rd, 1894.

SIR,

I BEG to acknowledge Mr. Bramston's letter of the 31st ultimo,* and to state that Sir Thomas McIlwraith, the Hon. Mr. Reid, my colleagues, and I will wait upon the Secretary of State to-morrow, at 3 o'clock as arranged.

In the meantime I enclose, for his Lordship's information, a copy of a memorandum on one of the subjects mentioned in my letter of the 16th ultimo†—the amendment of the Imperial Statute, Vict. 36, c. 22, relating to Customs Duties in the Australasian Colonies.

I am, &c.
(Signed) CHARLES TUPPER.

* No. 81. † No. 79.

Enclosure in No. 83.

MEMORANDUM indicating the AMENDMENTS required in the Imperial Statute 36 Vict. c. 22, in order to allow the AUSTRALASIAN COLONIES to enter into TRADE ARRANGEMENTS with the other BRITISH COLONIES.

By the Constitution Acts granted to the several Australasian Colonies, they were prohibited from making any preferential concessions in regard to Customs Duties to any place or country.

This state of things was, to a certain degree, amended by an Imperial Statute in 1873, 36 Vict. c. 22, which gave power to the various Australasian Colonies to enter into trade arrangements with each other. The following extract from the Act defines the present position:—

"The Legislature of any one of the Australian Colonies shall, for the purpose of carrying into effect any agreement between any two or more of the said Colonies or between any one or more of the said Colonies and New Zealand, have full power from time to time to make laws with respect to the remission or imposition of duties upon the importation into such Colony of any article the produce or manufacture of, or imported from, any other of the said colonies, or the produce or manufacture of, or imported from, New Zealand. Provided always, that for the purpose aforesaid, no new duty shall be imposed upon, and no existing duty shall be remitted as to the importation into any of the Australian Colonies of any article the produce or manufacture of any particular country which shall not be equally imposed upon, or remitted as to, the importation into such Colony of the like article the produce or manufacture of any other country. Provided further, that no duties shall be levied upon articles imported into any of the Australian Colonies for the supply of Her Majesty's land or sea forces, nor shall any duty be levied or remitted contrary to, or at variance with, any Treaty or Treaties for the time being subsisting between Her Majesty and any foreign Power."

It will be seen that, while the different Colonies of Australasia can now make arrangements with one another, they cannot grant any tariff concessions to any other Colony or country without making such concessions general in their effect. Consequently, without further legislation, the Australasian Colonies are not able to make a commercial arrangement involving concessions with any of the other Colonies of the Empire.

Negotiations are in contemplation by which closer commercial relations may be created between Canada and Australasia, but no arrangement of the kind can be carried out satisfactorily until the operation of the Imperial Act of 1873 before referred to is extended in the direction indicated.

It is submitted that the provisions of the Act of 1873 should be extended so as to enable the Australasian Colonies to grant tariff concessions to the other British Colonies.

All the Colonies of Australasia, the Cape of Good Hope, Natal, and the Dominion of Canada, desire that the Act of 1873 should be amended accordingly. It is urged that the required legislation should be introduced and passed at an early period during the present session, inasmuch as a convention of representatives from the various British Colonies is to be held at Ottawa in the month of June next, and the question of inter-colonial trade relations will form one of the subjects for deliberation.

The existing commercial Treaties between this country and foreign Powers do not prevent the suggested legislation being carried out.

No. 84.

THE HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.
(Received April 6, 1894.)

Victoria Chambers, 17, Victoria Street, London, S.W.,
April 4, 1894.

DEAR SIR ROBERT MEADE.

I SEND you a cutting from the last issue of the "Colonies and India" with reference to inter-colonial trade arrangements of a preferential character.

The position of the matter is stated very accurately and concisely in the article in question, and I think it will be interesting to you and to Lord Ripon.

The subject has been discussed on more than one occasion in the House of Commons here, and if you will refer to the speech of Sir Michael Hicks-Beach (when he was

President of the Board of Trade) on March 23rd, 1891, you will find that he admitted that the Belgian and German Treaties did not prevent commercial arrangements either between the Colonies themselves or between the Colonies and foreign countries. I enclose you an extract from the speech.

You will, therefore, at once see that the extension of the principle of the Act of 1873 (Vict. 36. c. 22) does not conflict in any way with the objectionable clauses in the Belgian and German Treaties.

Believe me, &c.,
(Signed) CHARLES TUPPER.

Enclosure 1 in No. 84.

"The Colonies and India."

London, Saturday, March 31, 1894.

The Colonies and Commercial Treaties.

A good deal has been written recently in reference to the position of the Colonies in the matter of inter-colonial trade arrangements of a preferential character, especially in connexion with the visit of the Hon. Robert Reid, the Minister of Defence of Victoria. It has been mentioned that the first difficulty the Victorian Government have to meet in their endeavours to arrange reciprocal tariff concessions with other parts of the Empire is the existence of the treaties of commerce between the United Kingdom and the German Zollverein and Belgium. Now, as a matter of fact, neither of these treaties in themselves stand in the way of an understanding of this kind between Canada and Australasia, or between any of the self-governing Colonies. They simply stipulate that Belgian and German goods shall be admitted into the Colonies on the same terms as goods from Great Britain. The Colonies are perfectly free, therefore, subject to their local legislation, to make any preferential agreements they wish among themselves. The Belgian and German treaties only come into the question should any concessions between the different Colonies be extended to the United Kingdom. The clauses in the Belgian and German conventions which bring about that unsatisfactory state of things are altogether apart from, and in addition to, the general most-favoured-nation clauses which the treaties contain. It is true that if, at present, any of the Colonies granted tariff concessions to the United Kingdom, they would have to be given to Belgium and Germany also, and, under the most-favoured-nation clauses in various existing treaties, to many other countries as well; but this only applies to concessions to Great Britain.

There is also a slight misapprehension in regard to another matter. No parallel exists between the position of any two States of the American Union and, say, Victoria and New South Wales, as is sometimes inferred. The Federal Government in the United States deals with all fiscal matters, and the different States have nothing to do with such subjects. New South Wales and Victoria are, however, entirely independent of each other in this respect, and have full control over their local fiscal affairs. The Australasian Constitutions originally prevented any concessions from one Colony to another, unless they were extended to all countries. This was modified by an Imperial Act in 1873 (Vict. 36. c. 22), which enabled all the Australasian Colonies to make such preferential arrangements. It is evident, therefore, that the Imperial Government do not regard the Belgian and German treaties of 1862 and 1865 respectively as interfering with intercolonial commercial relation. All that is wanted is to extend the Act of 1873 so as to apply not only to the Colonies of Australasia, but to agreements between any or all of them and the other self-governing Colonies. This would simply be an enabling Act; but it would permit of an arrangement either by treaty or by legislation between the Colonies of Australasia and Canada or any of the Colonies.

Some people consider that Her Majesty's Government have been ill-advised in not again asking the Belgian and German Governments to agree to a modification of the treaties ("those unfortunate treaties," Lord Salisbury calls them), so as to do away with the clauses which prevent preferential arrangements between the Colonies and the Mother-country; and much might be said in support of that view. The treaties have been accurately described as interfering in the domestic affairs of the Empire. If Belgium and Germany were given the alternative of modification or abrogation, there is

little doubt that they would accept the former, as it would still be open to them to enter into agreements with the Colonies similar to the treaty recently negotiated between Great Britain and France relating solely to the commercial relations of the latter country and Canada. The suggestion is commended to Lord Rosebery.

Enclosure 2 in No. 84.

Extract from a Speech of Sir Michael Hicks-Beach, President of the Board of Trade, in the House of Commons on March 23rd, 1891.

"The hon. member was aware that when these treaties were entered into a reciprocity treaty between Canada and the United States was in existence, and since then had been passed an Act of 1873, which enabled reciprocity arrangements of that sort to be made between our Australasian Colonies, and arrangements had been made in the last two or three years between our South African Colonies and the Orange Free State and the Transvaal. So it was perfectly clear that this clause did not prevent arrangements of that kind between our colonies or between the colonies and foreign states."

No. 85.

The EASTERN EXTENSION TELEGRAPH COMPANY to COLONIAL OFFICE.

(Received April 5, 1894.)

[*Answered by No.* 86.]

Winchester House, 50, Old Broad Street,
London, E.C., April 4, 1894.

Dear Sir Robert Meade,

Referring to our recent interview on the subject of the resolution passed at the Wellington Conference in favour of a Pacific cable, when you stated that the Colonial Office had not up to that time been officially approached in the matter by the Colonial Governments, I have since seen it announced in the newspapers that the Colonial representatives have decided to shortly wait upon Lord Ripon with a view to enlisting the assistance of Her Majesty's Government towards the carrying out of the resolution, and as it is important that all aspects of the case should be placed before the Government before they come to a decision on the subject, I venture to trouble you with the following remarks which, I trust, will meet with Lord Ripon's favourable consideration.

In the first place it ought not be overlooked that the existing telegraphic communication with Australia was established by private enterprise without any Governmental assistance whatsoever in the form of subsidy, guarantee, or exclusive landing rights.

It is true that a yearly subsidy of 32,400*l.* was subsequently granted to the Eastern Extension Company by certain of the Australian Governments, but this was done to enable the Company to duplicate the line between Penang and Australia, the Governments having found that a single line of cables could not be depended upon to secure the communication against interruption.

The Colonies also, more recently, entered into a guarantee arrangement with the Company to secure it against half of any loss resulting from the reduction of the tariff from 9*s.* 4*d.* to 4*s.* per word. The result of this experiment for the year ending April 1892 was a loss of 55,000*l.*, one half of which was borne by the guaranteeing Governments, and the other half by the Company. For the second year the loss amounted to 43,500*l.*, when, with a view to reducing it, the Governments requested the Company to raise the tariff from 4*s.* to 4*s.* 9*d.* per word, which was done on the 1st January 1893. For the current year ending 30th instant the loss is estimated at about 12,000*l.* notwithstanding the abnormally large traffic transmitted during last summer in connexion with the numerous bank failures and reconstruction schemes. Consequently, the guaranteeing Governments may be said to practically control the Australian tariffs, and, after the experience above referred to, the existing rates cannot be considered in any way excessive.

It should also be remembered that the existing communication with Australia is duplicated throughout, many sections being triplicated, and is equal to the transmission of a much larger traffic than it at present carries. It is, moreover, acknowledged to be

most efficient and satisfactory, and, being under the control of one combination from end to end, can be easily and uniformly dealt with.

A costly alternative cable across the Pacific cannot therefore be said to be required to meet existing commercial wants, and, if established by Government assistance, could only be justified on strategic grounds.

The guarantee proposed by the Wellington Conference would by itself be utterly inadequate to enable any company to live; consequently, a Pacific line could only be made a success if a large portion of the existing Company's traffic were diverted *viâ* the Pacific, or a largely increased guarantee or subsidy were granted. For instance, 4 per cent. on a capital not exceeding 1,800,000*l.* would only provide an annual revenue of 72,000*l.*, whereas the necessary "amortisation" alone, to renew the cable at the end of the guarantee period of 14 years, would require something like 105,000*l.* a year without reckoning the cost of working, maintenance, and interest on capital, which could not be much less than 132,000*l.* per annum. Consequently about 165,000*l.* a year would have to be made up, in addition to the 4 per cent. guarantee, and if this were done at the expense and consequent serious injury of the existing service Her Majesty's Government could not in equity refuse to guarantee or subsidise The Eastern Extension Company to the same extent as it guaranteed or subsidised the Pacific Cable; otherwise, a fatal blow would be given to private enterprise, which would seriously affect the carrying out of similar pioneer work in the future.

I would also venture to point out that as the Indian Government derive a considerable portion of their telegraph revenue from the transit rates paid by the cable companies, any diversion of the existing Australasian traffic *viâ* the Pacific would mean a corresponding loss to the Indian Exchequer, and thus increase the already heavy burden of the Indian taxpayer. Compensation would also have to be made to the South Australian Government, whose overland line from Adelaide to Port Darwin is still worked at a heavy loss.

As you are aware, the agitation for an "all British cable" across the Pacific is mainly based on sentiment, as it would almost inevitably have to touch foreign territory at one point or another, and would be dependent upon the Atlantic cables for the transmission of its traffic from Canada to Europe. Moreover, a Pacific cable would be no safer in time of war than cables in other seas, while it would impose increased responsibility upon the Navy at a time when it might have to concentrate all its energies nearer home to protect the more frequented trade routes.

If, however, a Pacific cable is considered a strategic necessity, and the Governments concerned are prepared to provide the requisite subsidies to enable it to be carried out, The Eastern Extension Company is quite ready to co-operate in the matter, and with its large experience and special facilities, is in a better position than any other Company to carry out the work advantageously.

Faithfully yours,
(Signed) JOHN PENDER.

No. 86.

COLONIAL OFFICE to Sir JOHN PENDER.

Sir, Downing Street, April 12, 1894.

I am directed by the Marquess of Ripon to acknowledge the receipt of your letter of the 4th instant,* containing observations on the subject of the resolution passed at the Wellington Conference in favour of a Pacific cable.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 87.

INDIA OFFICE to COLONIAL OFFICE.

(Received May 9, 1894.)

[*Answered by No.* 89.]

India Office, Whitehall, S.W.,
Sir, May 8, 1894.

A communication, copy of which is enclosed, has been addressed to this Office by the Chairman of the Eastern Extension, Australasia, and China Telegraph Company in respect to the project of a Pacific Ocean cable between Australasia and Canada.

* No. 85.

The Secretary of State for India is not aware in what light the Marquess of Ripon may regard any suggestions for such a cable which have been brought to his notice, but in any case I am desired by Mr. Fowler to point out that the Government of India is interested in the matter, being (on behalf of the Indo-European Government Telegraph lines) a partner with the Eastern and the Indo-European Telegraph Companies in all such traffic.

I am directed to request, therefore, that the Marquess of Ripon's views on the subject may be communicated to Mr. Fowler and that full opportunity may be afforded to the Secretary of State for India in Council to discuss this question, if it is at any time brought forward in a practical shape, and to communicate his views upon it, after reference to the Government of India.

I have, &c.
(Signed) REAY.

Enclosure in No. 87.

DEAR MR. COLVIN, April 14, 1894.

HEREWITH I have the pleasure to send you, as arranged at our recent interview, a copy of the letter which I addressed last week to the Colonial Office* on the subject of the Resolution passed at the Wellington Conference in favour of a Pacific cable, and from which you will observe—

1st. That the laying of the proposed cable is not justified on commercial grounds, the existing service fully meeting all reasonable requirements and being more than equal to the transmission of a much larger traffic than it at present carries.

2ndly. That the existing tariffs to Australasia are practically already under the control of the Colonial Governments, and as the loss resulting from the substantial reduction of rates from 9*s.* 4*d.* to 4*s.* 9*d.* per word has not yet been recouped, the tariffs cannot be considered excessive.

3rdly. That the agitation in favour of a Pacific line is mainly based on sentiment, the Pacific route being as much if not more exposed to the danger of interruption in time of war than the existing service, which follows the more frequented trade route and could thus be more easily protected. Moreover, the depths in the Pacific are reported to be so great that it is a question whether a cable in those seas if once broken could be repaired, in which case the scheme would be financially impracticable.

4thly. That a Pacific cable could not be made to pay unless very largely subsidized and as the present system was solely established by private enterprise, Her Majesty's Government could not in equity grant pecuniary aid to an opposition line without granting similar assistance to the Pioneer Company.

5thly. That any diversion of the existing traffic across the Pacific would seriously injure the present service and consequently the Indian ratepayer, as the Indian Exchequer would lose its transit rate and proportion of tariff over the Persian Gulf cables on every word diverted from the Indian lines.

The argument that a Pacific cable would greatly improve telegraphic communication between Australasia and Canada is more imaginary than real as the difference in point of speed between the Pacific and Indian routes would be very slight, and as a matter of fact hardly any telegraphic traffic exists between the two countries.

If, however, a Pacific cable is considered by Her Majesty's Government a strategic necessity (which I very much doubt), and the Governments concerned are prepared to provide the requisite subsidies to enable it to be carried out, my Company is quite ready to co-operate in the matter, and, with its special facilities and large experience, is in a better position than any other Company to carry out the work advantageously and with the least disturbance to existing interests.

I also enclose some figures which I have had worked out shewing the value of the existing Australasian traffic and financial prospects of a Pacific line and think you will find them both interesting and instructive.

Yours, &c.
(Signed) JOHN PENDER.

C. S. Colvin, Esq.,
India Office.

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* No. 85.

STATEMENT *re* PACIFIC CABLE.

The existing traffic between Europe and Australasia consists of 1,306,716 words, and its value to the Eastern, Indo-European, and Eastern Extension Telegraph Companies and the Persian Gulf Department of the Indian Government at present rates after deducting Government outpayments is 209,628*l.*

If the rates were reduced as proposed by the Wellington Conference Resolution to—

3*s.* per word for ordinary telegrams,
2*s.* „ Government „
1*s.* 6*d.* „ Press „

	£
the existing traffic would produce only	119,572
and consequently result in a loss of	90,056

If half the traffic were diverted to the Pacific line, this loss would be increased to 149,842*l.*

By the Pacific route the tariffs, after deducting outpayments for Australian and Canadian landlines and Atlantic cables, would probably be as follows :—

1*s.* 6*d.* per word for ordinary telegrams,
8*d.* „ Government „
10*d.* „ Press „

and if the Pacific cable carried one half of the existing traffic it would earn about 44,765*l.*, leaving 192,235*l.* to be made up by subsidy or guarantee to cover its expenses and interest on capital which have been estimated as follows :—

	£	£
Capital		1,800,000
Working expenses, say	25,000	
Maintenance	35,000	
		60,000
Amortization to replace cable at end of 14 years' guarantee		105,000
Four per cent. interest on capital		72,000
		237,000
Less estimated earnings as above		44,765
Subsidy or guarantee required		192,235

Even if the whole of the existing traffic were diverted to the Pacific cable it would only earn 89,530*l.*, or 147,470*l.* short of the amount above shown to be required.

April 14, 1894.

No. 88.

SIR W. G. CAMERON (CAPE COLONY) to the MARQUESS OF RIPON.
(Received May 16, 1894.)

TELEGRAPHIC.

Ottawa Conference: Chief Justice and Agent-General have been appointed as delegates. Chief Justice goes by mail to-day.

No. 88A.

THE HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.
(Received May 21, 1894.)

Victoria Chambers, 17, Victoria Street, London, S.W.,
May 18, 1894.

SIR,

I BEG to transmit to you, herewith, for the information of the Secretary of State for the Colonies, a copy of a letter I have received from Mr. Skene, the Hon. Secretary

of the Vancouver Board of Trade, covering a copy of a resolution adopted by the Council of the Board with regard to the efforts that are now being made to promote closer trade relations between the different parts of the Empire.

I am, &c.
(Signed) CHARLES TUPPER.

Enclosure in No. 88A.

VANCOUVER BOARD OF TRADE, BOARD ROOM, No. 15, LEFEVRE BLOCK.

SIR, Vancouver, B.C., April 18, 1894.

I HAVE the honour to transmit to you by request of the Council of the Vancouver Board of Trade copy of a resolution passed this day by that body and to request that you may be pleased to bring the same to the notice of the proper authorities.

I have, &c.
(Signed) WM. SKENE,
Hon. Sec.

To the Hon. Sir C. Tupper, K.C.B.

Resolution annexed.

Resolved,

"That the Council of the Vancouver Board of Trade view with satisfaction the efforts now being made in London towards the promotion of closer trade relations between the different parts of the British Empire and consider the following three points of pressing importance for the future welfare of Canada viz. :—

"1. The granting of an Imperial subsidy to the proposed improved Atlantic service.

"2. That the Imperial Government joins with the Colonies in guaranteeing interest on a limited sum for the construction of a Pacific cable.

"3. That the Imperial Government take steps towards removing the obstacles which at present exist to the establishment of reciprocal trade relations between the different parts of the British Empire."

8011. No. 89.

COLONIAL OFFICE to INDIA OFFICE.

SIR, Downing Street, May 19, 1894.

I AM directed by the Marquess of Ripon to acknowledge the receipt of your letter of the 8th instant,* enclosing a copy of one which had been addressed to the India Office by Sir John Pender in connexion with the question of the proposed Pacific cable, and requesting an intimation of his Lordship's views on the subject, and stating that Mr. Fowler wishes that the Secretary of State for India in Council may be afforded a full opportunity of discussing the question in the event of any practical proposals being submitted to Her Majesty's Government.

Lord Ripon desires me to state that he would view with satisfaction the establishment of the proposed cable, if it should appear after the meeting in Ottawa next month of the representatives of the Colonial Governments concerned that the project is feasible. Whilst not desiring to be regarded as adopting the views of Sir John Pender in their entirety, his Lordship recognises that there are great difficulties to be surmounted before the scheme can be shown to be practicable. It is also not unnatural that Sir J. Pender and others financially interested in the existing Cable Company should view with disfavour a project of a competitive character, but that fact alone would not, in Lord Ripon's opinion, justify Her Majesty's Government in withholding such support as may be prudent and possible from a line affording an alternative telegraphic route and one binding together that large portion of the Empire which is interested in the scheme.

Further information will be communicated to you in due course as to the progress of the discussion.

I am, &c.
(Signed) EDWARD FAIRFIELD.

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*No. 87.

No. 90.

SIR W. G. CAMERON (CAPE COLONY) to the MARQUESS OF RIPON.
(Received May 21, 1894.)

TELEGRAPHIC.

Ottawa Conference: Hofmeyr also appointed delegate.

No. 91.

THE ACTING AGENT-GENERAL FOR SOUTH AUSTRALIA to COLONIAL OFFICE.
(Received May 28, 1894.)

[*Answered by No.* 97.]

Victoria Chambers, 15, Victoria Street,
Westminster, London,
May 24, 1894.

SIR,

I HAVE the honour to inform you that I have been appointed to represent the South Australian Government at the Ottawa Conference, one of the subjects for discussion at which will be the proposed Pacific cable.

I should feel greatly obliged if you would inform me whether surveys have been made and soundings taken along the proposed line from Canada to Australia advocated by Mr. Sandford Fleming.

As I shall be leaving for Canada about the 8th June, I should esteem it a favour if the information could be supplied to me before that date.

I have, &c.
(Signed) T. PLAYFORD,
Acting Agent-General.

No. 92.

THE MARQUESS OF RIPON to the EARL OF ABERDEEN.

MY LORD,

Downing Street, May 24, 1894.

I HAVE the honour to acquaint you, for the information of your Ministers, that I have been informed, by the Officer Administering the Government of the Cape Colony that his Ministers have appointed the Hon. Sir John De Villiers, K.C.M.G., Chief Justice of the Colony and President of the Legislative Council, Sir Charles Mills, K.C.M.G., C.B., Agent-General for the Colony in London, and Mr. J. H. Hofmeyr, a member of the House of Assembly to represent the Colony at the forthcoming Intercolonial Conference at Ottawa.

I have, &c.
(Signed) RIPON.

No. 93.

THE MARQUESS OF RIPON to the EARL OF ABERDEEN.

TELEGRAPHIC.

(Sent May 28, 1894.)

HAPPY to inform you that Lord Jersey has consented to attend Ottawa Conference next month, on behalf of Her Majesty's Government.

No. 94.

SIR H. W. NORMAN (QUEENSLAND) to the MARQUESS OF RIPON.
(Received May 29, 1894.)

Government House, Brisbane,
April 16, 1894.

MY LORD MARQUESS,

I HAVE the honour to report, for your information, that in compliance with a request received from his Excellency the Governor-General of Canada, the Government of Queensland have appointed the following gentlemen to be delegates to represent this Colony at a conference to be held at Ottawa on the 21st June next to consider the question of promoting telegraphic communication and more extended trade relations between the Dominion of Canada and the Australasian Colonies. The Honourable Andrew Joseph Thynne, member of the Executive and Legislative Councils, and the Honourable William Forrest, member of the Legislative Council.

I have, &c.
(Signed) H. W. NORMAN.

No. 95.

THE AGENT-GENERAL FOR NEW SOUTH WALES to COLONIAL OFFICE.
(Received May 31, 1894.)

Westminster Chambers, 9, Victoria Street,
Westminster, S.W., May 30, 1894.

SIR,

I HAVE the honour to inform you that the Honourable Francis Bathurst Suttor, Minister of Public Instruction of New South Wales, has been appointed to represent the Government of that Colony at the forthcoming conference to be held at Ottawa, and that this gentleman left Sydney on the 19th instant by the S.S. "Arawa."

I have, &c.
(Signed) SAUL SAMUEL.

No. 96.

LLOYD'S to COLONIAL OFFICE.
(Received June 1, 1894.)

[*Answered by No.* 101.]

Lloyd's, E.C., May 30, 1894.

SIR,

I AM directed by the Committee of Lloyd's to beg that you will be so good as to inform the Secretary of State for the Colonies that the attention of my Committee has been called to the fact that a conference will meet at Ottawa on the 21st June next, when representatives of Canada and Australasian Colonies will be present, and the matter of subsidies to a proposed accelerated mail service between Australia and the United Kingdom by way of Canada will be discussed.

It appears, as far as my Committee can learn, that the Australasian and Canadian Colonies are urging upon Her Majesty's Government that a substantial subsidy should be granted by the Treasury towards the establishment of such a mail service. Her Majesty's Treasury also appear to have been urged to join in guaranteeing the interest upon the amount estimated as requisite for the construction of a Pacific cable, and it further appears that a representation has been made to Her Majesty's Government that obstacles should be removed which at present preclude certain Colonies from concluding preferential trade relations between each other.

Anxious as my Committee always are that all reasonable measures should be taken to facilitate postal or telegraphic communication between the United Kingdom and the Colonies, they would venture to submit to the Marquess of Ripon that some representation should be laid before the Ottawa Conference with regard to the legislative restrictions which some of the Australasian Colonies have adopted with reference to British marine insurers, and that it should be pointed out to the Conference that, before burdens

be laid upon the British tax-payer for the convenience of the Australasian Colonies, some endeavour might be made by these Colonies to ameliorate these restrictions.

Under the provisions of the 31st and 32nd sections of the Victorian Stamp Act of 1892 it appears that underwriters and insurance companies in the United Kingdom are placed in an entirely different position from Australian Companies doing business in Australia, since these sections of the Act appear to apply solely to insurance business connected with policies issued outside Victoria.

This view of my Committee appears to be thoroughly established by an opinion of the Hon. Attorney-General of Victoria, which was obtained by his Excellency the Governor of that Colony, and forwarded to my Committee for their information. I have the honour to forward herewith a copy of this opinion.

The provisions of the sections of the Act referred to prevent a merchant in Victoria from writing to a correspondent in London instructing the latter to declare an interest upon an open policy effected in this country, as the Act specially lays down that any person who "makes a declaration under any open or valued policy issued by any person outside Victoria shall take out a licence the duty upon which is assessed at 500*l.*," and it is expressly laid down that in this section a "declaration" included any letter of advice or other document advising any marine insurance or risk.

I am to add that somewhat similar restrictions on underwriters and insurance companies in the United Kingdom appear to be laid down in New Zealand by the Stamp Acts Amendment Act of the 17th September 1885 for that Colony.

My Committee would venture to suggest that it might be represented to the Ottawa Conference that, before subsidies as proposed are granted by the Imperial Treasury, the Colony of Victoria and others interested which have adopted similar legislation may not unfairly be requested to rescind such legislation.

I am, &c.
(Signed) H. HOZIER,
Secretary.

Enclosure in No. 96.

Crown Law Office, Melbourne,
March 2, 1894.

QUESTION as to the liability of the agent in Victoria of a merchant in London, who makes a declaration upon an open policy in England, to pay an annual duty under the Stamps Act, 1892.

In compliance with the request of the Committee of Lloyd's, addressed to his Excellency for the opinion of a Law Officer of this Colony in reference to a provision of the Stamps Act, which is cited as the Stamps Act 1892, I have to answer the following question:—Whether the agent in Victoria of a merchant in London, who makes a declaration upon an open policy in England, would be liable to pay an annual duty of 500*l.*?

In my opinion the agent in Victoria, who makes a declaration upon an open policy in England, is liable to pay the duty, which shall be assessed at 500*l.*, unless the agent proves to the satisfaction of the Collector of Imposts that the duty payable should be of less amount, pursuant to the provisions of the Stamps Acts, one of which is the Stamps Act 1892.

The policy embodied in the 31st section of the Act, No. 1,274, cited as the Stamps Act, 1892, is to prevent any systematic evasion of these Stamps Acts, and partly follows the cognate New Zealand Act of 1885. The breach of this section has not yet been the subject of any case in Victoria known to me, but nevertheless, if any system of evasion of the Stamps Acts should be brought to light, I have no doubt its provisions will be rigorously enforced, not alone for the protection of the Victoria revenue, but also of those traders who conform to the existing law, whether such law is burdensome or not, in the transaction of their business.

It has been from time to time alleged that certain financial institutions in Victoria attempt to evade the law by this particular process, but no evidence of such attempts has as yet been laid before the Crown Law Department to prove in any way those allegations.

I cannot therefore hold out to the Committee any hope of an amendment of this clause, unless the whole subject of remodelling the Stamps Acts comes before Parliament.

(Signed) BRYAN O'LOGHLEN,
Attorney General.

No. 97.

COLONIAL OFFICE to the ACTING AGENT-GENERAL FOR SOUTH AUSTRALIA.

Sir, Downing Street, June 1, 1894.

I am directed by the Marquess of Ripon to acknowledge the receipt of your letter of the 24th ultimo,* stating that you have been appointed to represent the South Australian Government at the Ottawa Conference, and to inform you that a set of Admiralty charts (Pacific, No. 844) have been published, showing the soundings which have been taken by H.M.S "Egeria," in connexion with the proposed cable. These charts can be procured from the agent for the sale of Admiralty Charts, Mr. J. D. Potter, 31, Poultry, and 11, King Street, Tower Hill.

I am, &c.
(Signed) EDWARD WINGFIELD.

No. 98.

The EASTERN EXTENSION TELEGRAPH COMPANY to COLONIAL OFFICE.

(Received June 4, 1894.)

[*Answered by No.* 102.]

The Eastern Extension Australasia and China
Telegraph Company, Limited, Winchester House,
50, Old Broad Street, London, E.C.,

My Lord Marquess, June 2, 1894.

Statements having been publicly made by Sir Charles Tupper questioning the accuracy of certain figures advanced by the Eastern Extension Telegraph Company in connexion with the Pacific cable question, I have thought it only right to reply to them, and enclosed I beg to transmit for your Lordship's information, a copy of the correspondence that has passed between Sir Charles Tupper and myself on the subject.

As your Lordship is aware, the great international cable system, which now permeates the whole civilised world, and without which, it would be practically impossible for commerce to be conducted, has been built up and developed to its present high state of efficiency mainly by private enterprise and British capital, and as the cable companies, whose interests might be seriously affected by the establishment of a Pacific cable, will not be represented at the forthcoming Ottawa Conference, and therefore will be unable to ventilate their views, I venture to hope that your Lordship will see your way to instruct the British delegate, that the existing cable system to Australia is, in the opinion of Her Majesty's Government, entitled to a large share of consideration at the hands of the Conference.

I have, &c.
(Signed) JOHN PENDER,
Chairman.

Enclosure 1 in No. 98.

Dear Sir Charles Tupper, London, May 15, 1894.

I have carefully looked through the paper which you read last week at the meeting of the Royal Colonial Institute, and had I been well enough to attend the meeting, I should have made an effort to be present.

I cannot, however, allow your statement to pass unchallenged, that the "protest "against the proposed cable is largely based upon fallacies," feeling convinced that if you would carefully study our figures and arguments, which are based on actual facts and practical experience of cable working, and compare them with those furnished by

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* No. 91.

Mr. Sandford Fleming, you would come to the conclusion that the fallacies are not on our side, but on your own.

For instance, to take the first point in your paper relating to amortisation, you are entirely mistaken in stating that "some 5,350 miles (or about 30 per cent.) of the "18,000 miles of cable now forming the system of the Eastern Extension Telegraph "Company is more than 20 years old, and is still in working condition, the balance of "about 12,650 miles being duplications and extensions laid since 1874." As a matter of fact, nearly the whole of the cables originally laid by the Eastern Extension Company has been renewed, some entirely, and in a considerably shorter period than 20 years.

Then as to your estimate of traffic for a Pacific cable, you have quite ignored the fact that at the Wellington Conference it was decided that the ordinary tariff should be 3*s.* per word instead of 3*s.* 3*d.* as proposed by Mr. Sandford Fleming; consequently, after the necessary out-payments are deducted, which would probably amount to 1*s.* 6*d.* (1*s.* for the Atlantic cables and 6*d.* for the Canadian and Australian landlines) there would be only 1*s.* 6*d.* left for the Pacific cable instead of the 2*s.* relied upon by Mr. Sandford Fleming, and this discrepancy materially affects your figures.

Moreover, any calculations based upon such an unknown quantity as the "normal increase of traffic" cannot be at all reliable, as the circumstances are constantly changing. For example, the growth of traffic with Australasia during the year ending 30th April 1892 was only 8·34 per cent. over that of the previous year, and in the following year ending April 1893 it was less than 6 per cent. as compared with 1892, showing that Mr. Sandford Fleming's estimate of a minimum 12½ per cent. is quite misleading.

It is equally unsafe to rely too closely on calculations of increase resulting from reductions of tariff, experience having unfortunately shown that on more than one occasion a falling off of traffic has actually taken place after a substantial lowering of rates, instead of a considerable increase, such as your paper indicates would result if the Australian tariff were reduced from 4*s.* 9*d.* to 3*s.* 3*d.* per word.

Then, again, your description of the existing system as a "monopoly" cannot be justified, seeing that it has never received any exclusive landing rights from the Australian Governments, but has had to rely upon the business-like and economical principles upon which it has been established and worked for its freedom from competition. In fact, the field has always been open to all comers to compete with us, and upon equal terms I should have nothing to say against it, but supported by Government aid it would be quite another matter, and if a Pacific cable were established on this basis, and the pioneer company, which has done so much for the Australasian Colonies in providing them with perhaps the best submarine service in the world were ignored, it would certainly be disastrous to private enterprise, and the Governments interested could not in common fairness adopt such a course without granting similar pecuniary assistance to the existing system.

No doubt a single cable could be constructed and laid for 1,800,000*l.*, and it would undoubtedly materially benefit the cable manufacturers, but no company who knew anything about the business and would be held responsible for carrying it through could undertake the work with any prospect of making it pay on the terms of the Wellington Conference Resolution.

At the present moment, however, the proposed cable is not really needed for commercial purposes, and therefore the expenditure of nearly two millions sterling when neither the Imperial nor Colonial Governments can well afford it, would, in my opinion, be an unwarrantable waste of money.

If, however, the Governments concerned consider a second cable is required for strategic purposes, which I very much doubt, they must of course pay for it, and as I have frequently stated, my Company would be quite prepared to undertake the work on fair and reasonable terms, which terms would necessarily be more favourable to the Governments than could be obtained from any other Company, owing to the exceptional facilities possessed by the existing system.

The probability of opposition arising from foreign sources does not in the least alarm me, but should competition be brought about through English and Colonial agencies on the proposed terms the result must inevitably be that no dividend would be forthcoming for the new Company, and little, if any, for the pioneer service.

I have thought it only fair to yourself as well as to the Companies which I represent, that you should be placed in possession of the above information as you will doubtless be making further references to the Pacific cable movement, and with so much attention

now being paid to all public utterances on the subject, it is of the greatest importance that all figures bearing on the question should be as accurately stated as possible.

Yours, &c.

Sir Charles Tupper, G.C.M.G., C.B. &c. &c. &c.

(Signed) JOHN PENDER.

P.S.—I am sending a copy of this letter to the "Times."

Enclosure 2 in No. 98.

Victoria Chambers, 17, Victoria Street,
London, May 17, 1894.

DEAR SIR JOHN PENDER,

IN reply to your letter of the 15th instant, received yesterday, after I had read it in the "Times," I must first express my regret that you were prevented by indisposition from being present when my paper (of which I had sent you a copy) was read at a meeting of the Royal Colonial Institute on the 8th May.

You say: "I cannot allow your statement to pass unchallenged that 'the protest "'against the proposed cable is largely based upon fallacies.'"

Those who read that protest will find that it is largely based upon two statements which I regard as fallacious: First, that "the existing service was established solely by "private enterprise; no Government subsidy, guarantee, or exclusive landing rights "having been granted to the Company."

I do not think any person reading that statement would suppose that the "existing" companies with which the proposed Pacific cable will compete are now, and for many years past have been, assisted by Government subsidies and guarantees, amounting to the present time to 2,100,000*l*. The Eastern Extension Company alone have received of that amount about 643,000*l*., and the African lines, described by you as an alternative route to Australia, 1,337,000*l*.

Second, that the calculations made in the protest to show the unprofitable character of the undertaking assumed that the life of the cable would be only 14 years.

You say: "You are entirely mistaken in stating that some 5,350 miles (or about 30 "per cent.) of the 18,000 of cable now forming the system of the Eastern Extension "Telegraph Company is more than 20 years old, and is still in working condition."

My authority for that statement was the Berne list published in 1892, as furnished by the Eastern Extension Company to the International Telegraph Bureau, and which I accepted as reliable. The following are the figures:—

	Date of Laying.	Length of Cables in Nautical Miles.
From Madras to Penang - - - - -	1870	1,455
From Penang to Singapore - - - -	1870	415
From Singapore to Saigon (Cochin China) - -	1871	637
From Saigon to Hong Kong - - - -	1871	983
From Singapore to Batavia (Java) - - -	1870	539
From Banjoewangie to Port Darwin - - -	1871	1,137
From Flinders, near Melbourne to Low Head (Tasmania) -	1869	180
Total - - - -		5,346

I will now add the highest existing authority on that question. Sir John Pender, at the meeting of the Brazilian Telegraph Company on the 2nd of this month, said: "As "you are aware, one of these cables is 20 years old, and therefore it is at all events "approaching a period of age which causes us to be careful in providing for its "renewal."

You say: "Then again your description of the existing system as a 'monopoly' "cannot be justified." I do not know what you would call a monopoly, but I have under my hand the report made to the Government of Canada by Mr. Sandford Fleming (who was one of the Canadian Delegates to the Colonial Conference held in London in 1887). In that report, speaking of the discussion upon this cable question, he says: "The Postmaster-General, Mr. Raikes, stated very forcibly that it would be absolutely "impossible for the English people or for Her Majesty's Government to recognise the "monopoly which the Company seemed to claim."

With the evidence before me that active efforts are now in operation to promote the construction of a Pacific cable under the control of a foreign Government, I cannot share your doubt as to its probability, nor can I agree with you as to the strategic value of a British Pacific Cable, concurring, as I do, with the opinion expressed by the "Globe" of the 19th ultimo, which in an article very friendly to the existing lines, says: "In the "first place, there can be no question at all that a cable across the Pacific would be of "the very highest strategical importance to us. Not only would it furnish us with a "duplicate medium of communication with our furthest Colonial possessions, but it "would also have the advantage of standing less chance of being cut by our enemy in "time of war. The eastward-bound cables, by means of which we communicate with "Australia at present, touch far too many places *en route* to be strategically safe. "Moreover, if an enemy should succeed in cutting the cable, it would probably be "somewhere between Aden and England, in which case India would be completely cut "off from telegraphic communication. The proposed Pacific cable, however, would "then enable us to transmit our messages by an alternative western route."

I do not propose to discuss the question of traffic or the normal increase that may reasonably be expected, further than to say that I have reason to believe that no difficulty will be experienced in securing the construction and operation of the cable upon the lines suggested by the Wellington Conference or such a modification as may be adopted by the Conference shortly to be held at Ottawa.

Having confined my remarks to the principal points raised in your letter,

I remain, &c.

(Signed) CHARLES TUPPER.

Sir John Pender, G.C.M.G., M.P.

P.S.—I have sent a copy of this letter to the "Times."

Enclosure 3 in No. 98.

Winchester House, E.C.,
May 30, 1894.

DEAR SIR CHARLES TUPPER,

ABSENCE from home has alone prevented me from replying to your letter of the 17th instant earlier.

First. Permit me to point out that although it be true that certain of the Australasian Governments have from time to time granted subsidies and guarantees to the Eastern Extension Telegraph Company, my statement that telegraphic communication with Australia was established solely by private enterprise is quite accurate, the subsidies and guarantees having been given for specific purposes other than the establishment of the communication. For instance, the subsidies were granted to enable the Company to duplicate the Australian section of the line, not because it was unequal to the traffic requirements, but because the Governments and telegraphing public had found to their cost that no confidence could be placed in a single line, and as my experience fully bears out this view, I contend that if a Pacific cable is to afford the same measure of security as the existing system, it must be duplicated. The guarantees were granted, as you are aware, to obtain the substantial reduction of tariff from 9*s.* 4*d.* to 4*s.* per word.

Secondly. Your reference to the Berne list, as your authority for stating that the Eastern Extension Company's original cables, although more than 20 years old, were still in working order, explains how you have been misled in the matter, the list only giving the dates when the early cables were first laid with their respective lengths, without showing the extensive cable renewals which have since been found necessary.

Thirdly. As to the question of monopoly, I find on looking through the Official Report of the Colonial Conference (1887) that the remarks attributed to the late Mr. Raikes really referred to the following paragraph of a paper which Mr. Sandford Fleming read to the Conference immediately before Mr. Raikes addressed the delegates, namely:—

> "Mr. Pender submits that the existing Company (Eastern Extension Company) as the pioneer of telegraphic communication with Australia is entitled to a large share of consideration at the hands of the Colonies."

Consequently to represent this perfectly reasonable contention as a claim to a monopoly is simply absurd.

But none of these points have any important bearing on the real question at issue, namely, Is the proposed Pacific cable, an undertaking which can be recommended to the investing public?

The Pacific cable project, as I understand it, is as follows:—

It is proposed to lay a single line of cable connecting Canada with Australia at a cost of 1,800,000*l.*, and in order to raise this sum, guarantees for 14 years from the several Governments supposed to be interested to the amount of 72,000*l.* per annum are to be obtained.

Now let us examine this proposal from the point of view of an intending investor.

	£	£
Capital		1,800,000
Working expenses	25,000	
Maintenance	35,000	
		60,000*
Amortisation to replace capital at end of 14 years' guarantee		105,000
		165,000
Less—		
Earnings estimated on basis of one-half of the Eastern Extension Company's receipts from the Australasian traffic	45,000	
4 per cent. guarantee	72,000	
		117,000
Leaving an actual loss per annum to investors of		48,000

Suppose, for the sake of argument, we assume that the Pacific cable might one way or another obtain as much as the whole of the Eastern Extension Company's present Australasian receipts, even then there would be absolutely no return on the capital invested, and if the Pacific cable were duplicated, the loss would probably amount to 120,000*l.* per annum.

The above figures will, I am sure, be regarded by all conversant with the expenses attending the working and maintenance of cables laid in deep seas as not only moderate, but rather under the mark, for it must not be overlooked that no allowance is made for a prolonged interruption, a contingency which is very probable to a single cable laid in such extreme depths as have been proved to exist in the Pacific, and during which interruption the guarantees would, of course, cease to be paid.

I observe, with some surprise, that you quote with approval an article which appeared in the "Globe." It is evident that the writer knows very little of the subject, for he says in case of the cables between Aden and England being injured, all communication with India would be interrupted. As a matter of fact, no fewer than three other routes, practically under the control of the existing system would still be open for traffic.

Again, I fail to understand on what grounds the writer holds that a single line of cable nearly 9,000 nautical miles in length, laid in the Pacific, should stand less chance of interruption than the existing cables.

With such figures as I have above placed before you, and which as a director of a submarine cable company you can fully appreciate, I would ask whether you would consider yourself justified in putting your name to a prospectus inviting subscriptions from the public for a scheme showing such disastrous financial results, even with the aid of the suggested Government guarantees.

I remain, &c.

(Signed) JOHN PENDER.

The Hon. Sir Charles Tupper, Bart., G.C.M.G., C.B.

P.S.—I am sending a copy of this letter to the "Times."

* This is Mr. Sandford Fleming's own calculation.

No. 99.

The MARQUESS OF RIPON to the EARL OF ABERDEEN.

My Lord, Downing Street, June 6, 1894.

I have the honour to acknowledge the receipt of your Despatch of the 8th of February last* enclosing copy of one which you had addressed to each of the Governors of the Australasian Colonies and to the Governor of the Cape of Good Hope inviting the appointment of delegates to represent the several Colonies at a conference to be held at Ottawa on the 21st of June next, for the purpose of discussing the questions of trade relations and telegraphic communication between Canada and the Australasian Colonies.

Her Majesty's Government look forward with much interest to the meeting of the proposed Conference, and as a practical indication of their sympathy with the colonies interested, and in response to the invitation of the Canadian Privy Council, I have had the pleasure to acquaint you by telegraph on the 28th ultimo† that the Imperial Government will be represented by the Earl of Jersey, G.C.M.G. Lord Jersey's duties will be to hear and report what passes and to give information to the Conference on matters of fact; but it will not be in his power to bind Her Majesty's Government or to express views on their behalf, as they must reserve any expression of opinion on the subjects discussed at the Conference until they have before them the report of the proceedings and the resolutions which may be arrived at.

Lord Jersey has asked that the services of Mr. W. H. Mercer of my department, who is specially conversant with the correspondence bearing on such questions as those which will be discussed at the Conference, may be placed at his disposal, and I beg to recommend Mr. Mercer to your good offices and acquaintance.

I have, &c.
(Signed) RIPON.

No. 100.

The MARQUESS OF RIPON to the EARL OF JERSEY.

My Lord, Downing Street, June 9, 1894.

It having been determined to send a representative of the Imperial Government to the Inter-Colonial Conference about to be held at Ottawa, your Lordship has been good enough at my request to undertake the duty of that position, and I have now to offer to you the best thanks of Her Majesty's Government for the ready manner in which you have acceded to their wish in this respect.

Your experience in Australia and your strong interest in the welfare of the Colonies afford the best assurance that the Government will derive much advantage from your presence as their representative at the approaching Conference.

The Governor-General of Canada has been informed by telegraph that you have consented to attend the Conference.

The subjects which it is proposed should be discussed at the Conference are indicated in the accompanying extract from a letter‡ from the High Commissioner for Canada.

It is the desire of Her Majesty's Government that your Lordship should, on their behalf, take part in the meetings of the Conference, discussing with the Colonial representatives the schemes proposed, and giving such information and explanations on matters of fact as the various official papers supplied to you will furnish. You will thus be able to facilitate the consideration of any proposals which the Conference may desire to submit for the consideration of Her Majesty's Government, but the assent of the Government cannot be given to any proposal until it has been fully reported on by you and examined by them at home, and you should therefore avoid committing them to any views or promises with regard to the schemes discussed.

Adverting to the particular questions enumerated by Sir C. Tupper, I have to make the following observations:—

(1.) Papers will be supplied to you from which you will be able to explain the position as regards Neckar Island. The question of the suitability of this island as a landing stage for the proposed Pacific cable cannot be determined until the results of the

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* No. 77. † No. 93. ‡ No. 79, sub-paragraphs 1 to 4.

examination by the man-of-war despatched for the purpose are known. If the Colonial representatives press for the immediate acquisition of the island you should point out that the matter is one which cannot fail to give rise to questions of a diplomatic character which can only be dealt with by Her Majesty's Government in the Foreign Department, and you may add that you are informed that the matter would have to form the subject of friendly discussion with the Hawaiian Government.

(2.) It seems desirable that the proposals of Mr. S. Fleming for a Pacific cable should be examined in detail with the view of ascertaining, as far as possible, the exact financial responsibility involved by the scheme. A collection of papers on this subject is in your Lordship's hands, and your attention is especially invited to the reports* by the Admiralty Hydrographer, and the General Post Office on the subject.

(3.) The question of the steamship subsidy will receive careful consideration at the hands of Her Majesty's Government when it is ripe for decision. In the meanwhile it has been referred to an inter-departmental committee which has been appointed to consider the general question of mail communication between England, the East, and Australasia; but the committee will, no doubt, await the report of the proceedings of the Conference before arriving at any conclusions on the subject.

(4.) A reference has recently been made to the Law Officers on the question as to how far special fiscal arrangements between the United Kingdom and the Colonies are restricted by Her Majesty's treaty engagements, and it is hoped that you may be made acquainted with their opinion before you sail.

I enclose a copy of a letter† from the Board of Trade, which draws attention to the injury which might be caused to the industries and trade of this country by discrimination in the Colonies against her produce. Should any more or less definite scheme of differential treatment be mooted which it would be reasonable to consider would have a seriously detrimental effect on British industries, this consideration will, no doubt, be put forward by your Lordship as you may deem necessary.

I have, &c.
(Signed) RIPON.

No. 101.

COLONIAL OFFICE to LLOYD'S.

Downing Street, June 9, 1894.

SIR,

I AM directed by the Marquess of Ripon to acknowledge the receipt of your letter of the 30th ultimo‡, suggesting that some representation should be laid before the Ottawa Conference with regard to the legislative restrictions which some of the Australian Colonies have adopted with reference to British marine insurers. In reply I am to acquaint you, for the information of the Committee of Lloyd's, that although Her Majesty's Government are sending a representative to attend the Conference at Ottawa, it is not intended that he should make any propositions or suggestions, or should submit any resolutions to the Conference.

I am, &c.
(Signed) JOHN BRAMSTON.

No. 102.

COLONIAL OFFICE to the EASTERN EXTENSION TELEGRAPH CO.

Downing Street, June 13, 1894.

SIR,

I AM directed by the Marquess of Ripon to acknowledge the receipt of your letter of the 2nd instant,§ enclosing a copy of correspondence which appeared in the "Times" between yourself and Sir Charles Tupper, on the subject of the proposed Pacific cable.

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* These Reports are printed on p. 283. † No. 82. ‡ No. 96. § No. 98.

I am to suggest that any representations which your Company may desire to place before the Ottawa Conference should be made direct, in which case his Lordship feels sure that they will receive the attention they may deserve.

I am, &c.
(Signed) EDWARD WINGFIELD.

No. 103.

THE EARL OF GLASGOW (NEW ZEALAND) to the MARQUESS OF RIPON.
(Received June 21, 1894.)

Government House, Wellington,
May 19, 1894.

MY LORD,

I HAVE the honour to transmit, at the request of my Government, copy of a Memorandum, dated the 4th instant, from my Postmaster-General, covering a copy of a Resolution passed by the Postal and Telegraph Conference lately held in Wellington, and attended by representatives of the various Australasian Colonies.

There can be no doubt but that this Resolution embodies the unanimous feeling of the whole of the Australasian Colonies. It would be out of place for me to enter into the reasons and various arguments in favour of the establishment of the proposed Canadian-Pacific Cable; they are already well-known to the Imperial Government and, should it be deemed practicable to give effect to the Resolution and so to enable the cable to be laid, there can be no doubt that it will tend to draw closer the bonds that unite the Australasian Colonies to the Mother Country.

I venture to express the hope that this matter will receive the favourable consideration of Her Majesty's Government.

I have, &c.
(Signed) GLASGOW.

Enclosure in No. 103.

MEMORANDUM for the Hon. the PREMIER, Wellington.

General Post Office, Wellington,
May 4, 1894.

I have the honour to inform you that at the Postal and Telegraph Conference, which met in this city March last, the accompanying Resolution, in connection with the Canadian-Pacific Cable, was passed. As the matter is one of Imperial concern, you will perhaps be so good as to bring the Resolution under the notice of his Excellency the Governor, with a request that he will transmit it to the Imperial Authorities for their favourable consideration. In forwarding it, perhaps you may consider it advisable to urge upon his Excellency that the assistance of the Imperial Government will be a material factor in the ultimate success of the scheme, and to place the proposed undertaking in such a light as to ensure its favourable reception. The strong feeling existent in this and the principal Australian Colonies in favour of the proposed cable, and the warm support of the colonial press, bespeak the urgency of the matter. His Excellency might also be reminded that this feeling exists not alone on commercial grounds but to a great extent in the belief that the interests of the Empire would be better conserved, and Her Majesty's Dominions brought into closer touch, if linked together by a cable passing through British territory only.

(Signed) J. G. WARD,
Postmaster-General.

EXTRACT from REPORT of the PROCEEDINGS and DEBATES of the POSTAL and TELEGRAPH CONFERENCE.

Canadian Pacific Cable.

"That, considering the important interests involved, both of a national and commercial character, in the establishment of a Pacific cable, the representatives of the respective Colonies assembled at this Conference recommend their Governments to

consider the desirability of entering into a guarantee, with the other countries interested, for a period not exceeding 14 years, and to guarantee interest at 4 per cent. on a capital of not more than 1,800,000*l.* to any company undertaking the laying of a Pacific cable; the tariff not to exceed 3*s.* per word for ordinary telegrams, 2*s.* per word for Government telegrams, and 1*s.* 6*d.* per word for press telegrams to and from Great Britain and the Colonies; and that the United Kingdom be asked to join in the guarantee; the routes to be either of the following:—Brisbane to Ahipara Bay (New Zealand), Ahipara Bay to Suva, Suva to Apia, Apia to Fanning Island, Fanning Island to Sandwich Islands, Sandwich Islands to Vancouver; or, from New Zealand to Suva, Suva to Apia, Apia to Fanning Island, Fanning Island to Sandwich Islands, Sandwich Islands to Vancouver."

No. 104.

THE EARL OF ABERDEEN to the MARQUESS OF RIPON.
(Received June 29, 1894.)

TELEGRAPHIC.

Conference favourably inaugurated to-day. Good speeches by delegates, excellent tone. Jersey's appointment very acceptable.

No. 105.

THE EARL OF ABERDEEN to the MARQUESS OF RIPON.
(Received July 5, 1894.)

MY LORD, Government House, Ottawa, June 19, 1894.

WITH reference to my Despatch of the 8th February last,* in regard to the proposed Inter-Colonial Conference at Ottawa, I have the honour to transmit herewith, for your Lordship's information, copy of an approved Minute of the Privy Council designating the Honourable Mackenzie Bowell, Minister of Trade and Commerce, the Honourable Sir A. P. Caron, K.C.M.G., Postmaster General, and the Honourable George E. Foster, as the delegates to represent the Canadian Government at this Conference.

It will be observed that Mr. Sandford Fleming, C.M.G., is to be associated with the Canadian representatives in regard to all matters relating to telegraphic communication.

I have, &c.
(Signed) ABERDEEN.

Enclosure in No. 105.

EXTRACT from a REPORT of the COMMITTEE of the HONOURABLE the PRIVY COUNCIL, approved by His Excellency on the 16th June, 1894.

On a report dated 13th June 1894, from the Right Honourable Sir John Thompson, the Prime Minister, calling attention to the fact that delegates from the Australasian and several other Colonies of the Empire are about to assemble at Ottawa to consult on various questions concerning the commercial relations of the Colonies and the means to be adopted for increasing their trade and for establishing telegraphic and steam communication between them, and on other matters touching the welfare of the Colonies, and submitting that the time has come when your Excellency may properly designate the persons who should represent the Government of Canada at the said Conference.

The Minister, therefore, recommends that the Honourable MacKenzie Bowell, Minister of Trade and Commerce, the Honourable Sir Adolphe P. Caron, K.C.M.G., Postmaster-General, and the Honourable George Eulas Foster, Minister of Finance, be appointed to represent the Government of Canada at the said Conference.

The Minister also recommends, considering that the laying of an electric cable for communication between Australasia and Canada will probably be one of the subjects considered at the Conference, and considering the interest taken in that undertaking by

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* No. 77.

Sandford Fleming, C.M.G., that Mr. Fleming be associated with the Canadian representatives at the Conference on all matters relating to telegraphic communication.

The Committee submit the above recommendations for your Excellency's approval.

(Signed) JOHN J. MCGEE,
Clerk of the Privy Council.

No. 106.

THE EARL OF ABERDEEN to the MARQUESS OF RIPON.
(Received July 12, 1894.)

[*Answered by No.* 107.]

MY LORD, Government House, Ottawa, June 29, 1894.

I HAVE the honour to state that the Inter-Colonial Conference opened here yesterday.

In accordance with previous arrangements, I presided at the inaugural meeting, which was held in the Senate Chamber, and at which members of the Canadian Senate and House of Commons were present, the Chamber being completely filled, and the galleries occupied by ladies and other spectators.

2. I delivered an opening address, welcoming the delegates, and making some general observations upon the importance of the occasion. My remarks were designed to lay stress upon the value which would attach to a discussion of the subjects which have been named as those which the Conference has been summoned to consider, while at the same time I took care to indicate that there was no expectation that other topics than those coming within the ostensible and avowed programme would be dealt with by the members of the Conference.

3. After a highly appropriate speech from Sir John Thompson, short addresses were delivered by Lord Jersey, and subsequently by delegates of each of the Colonies represented.

4. Among the notable features of the proceedings was the cordiality with which the appointment of Lord Jersey was referred to, especially by the Australian delegates. Another was the great heartiness with which reference to the advantage enjoyed by Canada through confederation was endorsed by the Canadian members of Parliament who were present.

5. I enclose a newspaper containing reports* of the speeches.

6. In the evening a banquet was given in honour of the delegates, at which three hundred gentlemen were present, consisting mostly of the members of the Dominion Houses of Parliament. The proceedings were of a very enthusiastic character.

To-day the Conference meets with closed doors.

I have, &c.
(Signed) ABERDEEN.

No. 107.

THE MARQUESS OF RIPON to the EARL OF ABERDEEN.

MY LORD, Downing Street, July 16, 1894.

I HAVE the honour to acknowledge the receipt of your Despatch of the 29th of June,† forwarding a report of the proceedings at the opening of the Inter-Colonial Conference and at the banquet which followed.

I have perused these papers with much interest.

I have, &c.
(Signed) RIPON.

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* Not printed.

† No. 106.

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